Budget Highlights

1987-88

Hon. Gilbert R. Clements
Chairman of Treasury Board
Province of Prince Edward Island

BUDGET HIGHLIGHTS — 1987-88

- The Budget provides for an expenditure in the current account of $532.1 Million and in capital account of $34.8 Million for a total expenditure program of $566.9 Million.
- The budgeted current account expenditure represents an increase of 4.1% over the 1986-87 expenditure level.
- Current account revenues are budgeted at $522.4 Million which represents a 7.5% increase over the 1986-87 level.
- The deficit on current account is budgeted at $9.7 Million which represents a significant reduction from the $25.5 Million forecast for 1986-87.
- The Province's borrowing requirements to finance the current account deficit, net capital expenditures and advances to crown corporations and other quasi government organizations is projected to be $70.4 Million with an additional $25 Million required to refinance a 1982 bond issue.
- To stimulate employment, funds have been allocated in the budget for:
  - a Jobs for Youth Program ..... $ 910,000
  - a Work Opportunities Fund 400,000
  - a Job Creation Program 1,500,000
  - an Employment Enhancement Diversion Fund 500,000
  - Special projects - Energy Corporation 200,000
- To encourage the development of job opportunities in the private sector, the budget includes programs such as:
  - a New Equity Investors Incentives Program $1,000,000
  - a provision for a new federal/provincial Industrial Economic Development Agreement 2,029,000
  - an Investment Incentive Program 1,075,000
  - a New Export Development Initiative 150,000
  - a Small Business Development Corporation Program .. 400,000
  - a Small Business Incentive Program 550,000
  - a New Manufacturing Technical Support Initiative 117,000
- The budget provides $600,000 for an increased emphasis on prospecting for new business.
- A total of $250,000 is provided for increased Tourism Marketing in the Atlantic region and for the shoulder season.
- An amount of $130,000 has been included for a program to revitalize the Provincial Parks system.
- Funds are provided for a new Food Technology Centre - $600,000

BUDGET HIGHLIGHTS — 1987-88

continued

- Additional funds are provided to improve the Province's program for milk quality control - $105,000
- The budget includes $1.8 Million for a new agreement which is currently under negotiation with the Federal Government for development of the livestock feed industry.
- The budget provides for a new Fishermen's Capital Investment Fund - $60,000.
- An amount of $200,000 has been included for increased activities in the shellfish industry.
- The budget provides for maintenance grants to licensed day care centres - $185,000
- The level of funds available for school bus replacements has increased from $1 Million to $1.5 Million.
- A new Safe Driving Program for new drivers will be implemented - $90,000
- The budget provides for the first $200,000 installment of a five year total commitment of $1 Million to U.P.E.I. for capital improvements.
- The budget includes $300,000 for a hospital equipment replacement fund.
- An amount of $210,000 is budgeted for family support for the physically disabled.
- Funds are provided for a special initiative to assist children with behavioural difficulties to be implemented jointly by Education and Health and Social Services - $245,000
- A study of the Vocational Education system will be undertaken - $100,000
- Loan funds will be provided through the P.E.I. Housing Corporation to first time homeowners who require second mortgage financing and meet program criteria - $500,000
- Financing will be provided to commence construction on the following new capital projects:
  - Young Offenders Facilities at Summerside, Tyne Valley and Georgetown
  - Souris Hospital
  - Kensington High School
  - Cavendish V.I.C.
  - West Prince V.I.C.

BUDGET HIGHLIGHTS — 1987-88

continued

The budget includes the following revenue measures:

- Effective with property tax bills for the calendar year 1987, the rate of provincial tax on non-commercial property will be increased from 75 cents to $1.50 per $100 of assessment; however, for resident property homeowners (both individual and corporate) there will be an offsetting 75 cents per $100 assessment tax credit. This tax credit will effectively mean that residents of P.E.I. will not incur this additional tax burden. The estimated revenue increase on an annual basis is $975,000.
- Effective on proclamation of the legislative amendments to the Real Property Tax Act, the government will repeal the deferred taxes element of real property tax. This will save taxpayers $25,000 per annum.

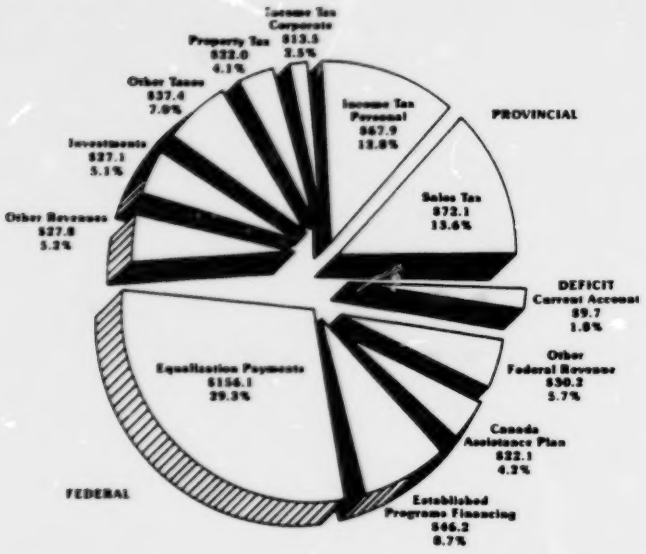
SUMMARY COMPARISON - PROVINCIAL TAX RATES

	Personal Income Tax (Basic Rate)	Tobacco Tax (Inc. PST)	Corporate Income Tax		Sales Tax
			Sm. Bus.	General	
	%	$/pack of 25	%	%	%
*British Columbia	44.0	0.93	8	15	7
Alberta	43.5	0.37	5	11	0
*Saskatchewan	51.0	1.02	10	17	5
*Manitoba	54.0	1.03	10	17	7
*Ontario	50.0	0.87	10	15.5	7
Quebec	N/A	1.13	3	13	9
New Brunswick	58.0	1.03	9	15	11
Nova Scotia	56.5	0.87	10	15	10
Newfoundland	60.0	1.47	10	16	12
Prince Edward Island	**55.0**	**0.87**	**10**	**15**	**10**
Regional Average	57.4	1.06	9.7	15.3	10.7
National Average	52.5	0.97	8.5	15.0	7.7

* Four provinces also have a surtax on personal income for high income earners.

SUMMARY OF CURRENT ACCOUNT REVENUES (By Source)

WHERE THE MONEY COMES FROM

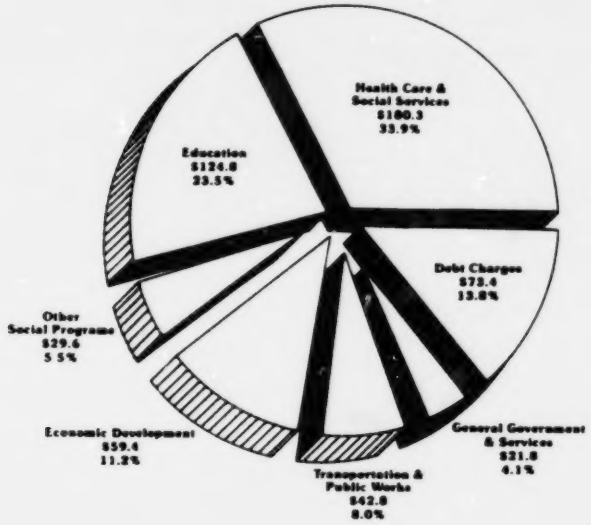


1986-87 FORECAST*	SOURCE	1987-88 ESTIMATE AMOUNT*	% OF TOTAL
	Provincial:		
$ 67.5	Sales Tax	$72.1	13.6%
61.3	Income Tax - Personal	67.9	12.8%
10.4	- Corporate	13.5	2.5%
20.0	Property Tax	$22.0	4.1%
35.0	Other Taxes	37.4	7.0%
24.6	Investments	27.1	5.1%
26.3	Other Revenues	27.8	5.2%
$245.1	**Total Provincial**	$267.8	50.3%
	Federal:		
$143.3	Equalization Payments	$156.1	29.3%
44.0	Established Programs Financing	46.2	8.7%
20.4	Canada Assistance Plan	22.1	4.2%
33.0	Other Federal Revenue	30.2	5.7%
$240.7	**Total Federal**	$254.6	47.9%
$ 25.5	**Deficit - Current Account**	$ 9.7	1.8%
$511.3	**Total**	$532.1	100.0%

* Amounts shown in millions of dollars

SUMMARY OF CURRENT ACCOUNT EXPENDITURES (By Source)

WHERE THE MONEY GOES



1986-87 FORECAST*	SOURCE	1987/88 ESTIMATE AMOUNT*	% OF TOTAL
	Expenditure:		
$168.3	Health Care and Social Services	$180.3	33.9%
116.9	Education	124.8	23.5%
28.0	Other Social Programs	29.6	5.5%
66.8	Economic Development	59.4	11.2%
42.8	Transportation and Public Works	42.8	8.0%
21.0	General Government and Services	21.8	4.1%
67.5	Debt Charges	73.4	13.8%
$511.3	**Total Current Expenditure**	$532.1	100.0%

* Amounts shown in millions of dollars

PROVINCE OF PRINCE EDWARD ISLAND

BUDGET SPEECH AND ESTIMATES

1987

PRESENTED BY
THE HONOURABLE GILBERT R. CLEMENTS
MINISTER OF FINANCE
AND
CHAIRMAN OF TREASURY BOARD

BUDGET SPEECH

March 24, 1987

Gilbert Clements

MINISTER OF FINANCE
AND
CHAIRMAN OF TREASURY BOARD

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Mister Speaker:

Once again I am honoured to be presenting a budget to this Assembly.

I tabled the 1986-87 Estimates in this House some nine months ago. At that time it was necessary, due to the timing of the election and the fiscal year end, to adopt much of the earlier work of the previous administration. I committed our administration to begin immediately on the necessary work for the 1987-88 Estimates. To fulfill that commitment, I indicated that more time was required to fully permit the new government to implement the changes in organization, priorities and fiscal position which it deemed necessary. I believe you will see tonight that we have delivered on our commitment.

Mr. Speaker, before I proceed to the normal subject matter of all budget speeches, that is, a discussion of our economy and our fiscal position both past and planned, I would like to take a few minutes for a general overview of our present circumstances.

It is useful, from time to time, to set aside the sharp pencils and ledger sheets and reflect upon some of the less tangible, but equally important concerns which have an impact on our economic health.

Almost everyone, myself included, tends to make use of a variety of buzz words which have been developed in an attempt to describe the various economic and fiscal circumstances into which an economy may be categorized. For the purposes of a general, philosophical overview as to how I see matters related to this Province's finances, I intend to speak plain, unadorned English - I want to tell it as it is!

Governments everywhere, in both the developed and less developed world, have found the past decade to be a particularly difficult period of time. Among other problems, rising costs, very slow growth in revenues, high unemployment, volatile prices, surpluses in certain areas and scarcity in others, have been major contributors to these difficult times.

We are all familiar with some of the results of such economic conditions. On the global scene we have witnessed the introduction of new trade barriers, undisguised protectionism in some countries, rising national debts, devalued currencies and the default of some debtor nations.

At home, the impact of international monetary instability has seriously affected our economic health. As a result, all Canadian governments, national, provincial and municipal, must struggle just to meet ongoing public responsibilities and commitments.

The result has been increasing public borrowings and rising debts in virtually every area of the country. Efforts to bring about national economic recovery and improved stability have been less than satisfactory, with some regions showing considerable success and others still mired in recession.

The Federal Government's determination and methods to reduce its deficit have been particularly hard on provinces such as Prince Edward Island. In restraining such programs as Equalization, Established Programs Financing, and Regional Development, and in designing some programs, such as training, for regions with high private sector participation, the Federal Government has forced "have-not" provinces to pick up additional costs in those areas of reduced or redirected federal spending.

In effect, the Federal Government has transferred many legitimate and necessary public costs from its treasury to the treasuries of the provincial governments. Such transfers have had a significant influence upon the need for provinces to

borrow, while permitting the Federal Government to reduce its borrowing requirements. However, the effect of our government borrowings is quite different from the borrowings of the Federal Government. When the Federal Government borrows it is, in a sense, borrowing from itself because it is Canadians from all across the country who do the lending and who benefit from the interest paid by the Federal Government on borrowed money. However, when provinces like Prince Edward Island borrow, the vast majority of the interest paid goes outside the province, is reinvested outside the province and has little or no effect upon our local economy. Indeed many provinces borrow outside the country, in the United States, in Europe and Japan, with all benefits lost not only to their own province, but also the entire country. The need for reducing our borrowing requirements through elimination of deficits is critical for the continued prosperity of the country.

This, Mr. Speaker, is a very brief description of the general financial climate within which we are operating. It is in this environment that we find ourselves today.

I am sure everyone in this House will acknowledge that there are capable and well-motivated people in the government service who help prepare much of the background to our budget document.

I also believe strongly that Government can benefit from the diverse and sometimes opposing views held by those in our private sector and the community at large. It is however, in the final analysis, the responsibility of the members of the government to determine which alternative courses of action to follow.

It is against this background that I have for the first time in the history of this Province publicly released the quarterly financial results of the Province over the past year. It is through a process such as this that the Island public can better understand and appreciate just where we are from quarter to quarter, and perhaps more importantly, begin to appreciate what your Government is doing in the financial field.

It is also against this background that I have sought for the first time in the history of this Province, the views of many community organizations and the public at large, in preparation for my budget tonight.

It is against this background that I established the Commission on Government Expenditures which I announced last year. The Commission chaired by Mr. Jack Mulligan, C.A., has been at this task over the past several months. The final report of the Commission has not yet been submitted to government. I

have however met with the Commission chairman and received some preliminary views and recommendations prior to the preparation of the 1987-88 Estimates.

Mr. Speaker, last year I outlined my major objective in terms of the Province's finances. On this occasion, I repeat my determination to achieve a balanced budget on current account. I believe if this objective can be achieved, the financial position of our Province will have improved to the point of permitting our Province to meet its many social and economic obligations, to introduce new and productive government programs and not leave our children with unduly heavy financial burdens. It is always risky for politicians to set specific timetables for their actions but I am optimistic I can achieve my objective during this term in office.

Other criteria which fit into my framework for fiscal policy are as follows:

- the balancing of the current account budget should be done with minimum increases in taxation while recognizing that if the public demands service levels beyond our means within present levels of taxation, then increases are inevitable;

- expenditure restraint does not imply the removal of sound and supportable programs. It may rather suggest the need to adopt economy, efficiency and effectiveness as our basic management requirement;
- staff lay-offs are not to be considered at this time as an element of expenditure restraint; and
- the critical element of any fiscal policy is to ensure that those in our community in real need are provided with the means to enable them to live with respect and in dignity, and that those who are striving to improve their circumstances have the educational and employment opportunities open to them to permit meaningful participation in our society.

Mr. Speaker, I would like to point out that while our financial position is relatively good compared to some of our neighbouring provinces, and, indeed compared to the Government of Canada, we must keep things in perspective.

We can all recall the severe economic recession of 1981 and 1982. Let us bear in mind that a possible recurrence of that time can not be ignored. We live in a time when national and international economic circumstances continue to be troubled and unstable. While there are problems and pressures to respond to

the needs of today, it is important for governments to take positive and corrective action to live within their means and to be alert to serious difficulties which may face us down the road.

It is for this reason, more than any other, that our government must restore the financial health of our Province. We must be prepared to respond when the needs are great and we can only do this if we are dealing from a position of strength.

Mister Speaker, I gave consideration to taking this opportunity to speak to this assembly on another matter, that is, tax reform. It is currently the number one issue with my counterpart in Ottawa. I believe tax reform is quickly becoming our number one issue as well.

However, rather than speak to the issue at length tonight, I will address the matter separately later in the session.

ECONOMIC SITUATION AND OUTLOOK

1986 IN REVIEW

The Canadian economic environment was subject to several major international forces during 1986, two of which were particularly important - oil prices and trade. Oil prices fell from about $43 (Cdn) per barrel in November 1985 to $16 (Cdn) per barrel in July 1986. The resulting impacts across Canada were varied but given our high dependence on imported oil this collapse in prices provided a tremendous source of relief for the Island economy. The second major factor impacting on Canada has been the pervasive role of the United States of America as our major trading partner. The United States economy has been gradually slowing down, growing at about 2 1/2 per cent in 1986. At the same time the protectionist sentiment has damaged Canadian trade. To this point, Prince Edward Island has escaped major problems on this score, though the trend is very worrisome.

Growth of Gross Domestic Product for Canada in 1986 was about 3.1 per cent, which compares with 4.0 per cent in 1985. Falling interest rates and low inflation have helped the economy. Unemployment has been falling nationally, to average 9.6 per cent in 1986, from 10.5 per cent in 1985. However, much of the economic strength is found in Ontario and Quebec, as the petroleum producing regions have experienced significant

problems. Low grain prices have compounded problems on the Prairies.

The economic performance of the Atlantic region in 1986 has shown some promising aspects but has been somewhat below the national average. Employment has continued to lag behind the national average with unemployment at an unacceptably high level.

For Prince Edward Island the economic news for 1986 has been generally good, and certainly much improved since the new Government took office last May. I should like to think that to some extent this improvement is a reflection of renewed confidence by the people of the Province in the Island economy and its prospects in future years under a Liberal administration.

One indicator of this confidence is the level of residential housing activity. Housing starts numbered 1,110 in 1986, an increase of 41 per cent over 1985. Housing construction has not been at this level since 1978, when the Liberals were last in office!

The best performing industries of our economy in 1986 were fishing, construction and manufacturing, all showing solid gains in production. The Island fisheries had a record year in 1986,

with a landed catch value of an estimated $67 million, an increase of 29 per cent over 1985, which was itself a record year. The harvest of lobster and shellfish was particularly bountiful in 1986, and prices were good, so that the value of that catch increased by 34 per cent.

The construction industry also experienced significant gains in 1986, both on the strength of residential housing and non-residential projects. Gains in manufacturing largely centered on the food processing sectors, particularly from improved meat prices and the gains in fisheries.

Tourist visitation was held back by the poor weather last summer, but still increased by 1.9 per cent in terms of the numbers of tourist parties.

The Island's important agricultural industry began 1986 in a very depressed situation, but began to turn around in mid summer. Farm prices for potatoes last fall were roughly triple the price of the previous year. In addition beef and pork prices improved in 1986 and consequently farm incomes increased substantially. Farm cash receipts were $197 million in 1986, an all-time record for Prince Edward Island. While this is very good news, it must be remembered that high input costs had to be borne by the farming community.

On top of the improved industrial picture, Prince Edward Island experienced very low inflation. Consumer prices increased by only 2 per cent on the Island last year. Consequently, real spending power improved significantly.

The employment picture has been disappointing by comparison with the substantial gains made in industrial production. Average monthly employment in 1986 was 52,000, compared to 51,000 in 1985. However, continuing high levels of unemployment, in large measure a reflection of a growing labour force, is a major concern to the Provincial Government. Nevertheless, the Island economy certainly performed well in 1986, doing substantially better than many other parts of the country.

OUTLOOK FOR 1987

The Canadian economy is expected to grow at a slowing rate in 1987. The Federal Budget forecasts growth of 2.8 per cent, which I feel is somewhat on the optimistic side. Inflation is expected to remain low, though oil prices are likely to move up. Interest rates are expected to continue to fall, as is unemployment, which is expected to be down to about 9 per cent.

Our expectation for Prince Edward Island is for continued expansion, but at a somewhat slower rate of growth than in 1986. The major positive factor at present is the improved market for potatoes, which contribute to about one-third of the Island's agricultural production. The improved farm picture has a generally stimulative effect on the whole Prince Edward Island economy.

If interest rates continue their downward movement, consumer spending should remain buoyant. Coupled with the strong income gains that were achieved in 1986, renewed growth of the important service industries is expected. The service sector provides some 70 per cent of all employment on Prince Edward Island. Expansion of tourism will further stimulate economic prospects for this sector.

Employment is forecast to expand to 53,000 in 1987, which should result in a decline in the unemployment rate. However, the changing participation rate makes this difficult to predict.

Housing construction is expected to continue at a good pace, but continued growth over the high level achieved in 1986 is unlikely. Increases in consumer prices are expected to be at a

somewhat higher level in 1987 than 1986 in light of the upward movement in energy costs. The extent of this is, of course, difficult to forecast.

The two sectors of the economy which are likely to slow in growth during 1987 are public administration and non-residential construction. Both federal and provincial governments face significant financial constraints which will affect our ability to expand the delivery of public services.

The non-residential construction sector has been dominated by a series of major projects over the past decade, such as the Veterans Affairs headquarters and the Queen Elizabeth Hospital. The Atlantic Veterinary College is the last of these major projects and it is close to completion. There are important capital projects in 1987 such as the Souris Hospital and Kensington High School, as well as commercial and industrial investments, but none are of the scale of those unusually large projects that I have mentioned.

All in all, the Island economy is doing pretty well. The renewed confidence that exists bodes well for future growth.

FEDERAL PROVINCIAL

A large proportion of the Province's revenues depend upon our fiscal arrangements with the Federal Government. This is an area where I have some very serious concerns. "Cooperative federalism" and sensitivity to regional concerns were solemnly promised by the Federal Conservative Government at the outset of its term in office. However, in the intervening 2 1/2 years Federal Government actions have progressively moved in the opposite direction.

There has been an obvious shift in federal priorities away from programs supporting the poorer regions, towards programs and policies designed to reduce the federal deficit and strengthen central Canada.

For a Province so dependent on federal revenues as we are, these events can have grave consequences. Federal transfers provide one-half of our revenues; revenues which have been affected substantially by federal restraint. Measures to reduce transfers have been made despite the insistence of all Atlantic Provinces that reduced federal transfers seriously affect our ability to provide a standard of services equal to other areas of the country and, given the options available to the Federal Government, are totally unwarranted.

Although I am very sympathetic to the deficit situation of the Federal Government, it has been stressed on many occasions that its financial problems should not be solved on the backs of the have-not provinces.

A major purpose of federal fiscal arrangements is to permit Canadians, in all provinces, equal access to government-financed services. The two major federal programs designed to support this principle are Equalization, which attempts to compensate poorer provinces for revenue deficiencies, and Established Programs Financing, which supports the very important social programs of health care and post-secondary education.

Equalization represents the Province's largest single revenue source. We expect to receive approximately $156 million in Equalization in 1987-88.

Our level of Equalization payments is essentially determined by how well we are faring compared to the five province standard on a per capita basis. The five provinces included in the standard are - Quebec, Ontario, Manitoba, Saskatchewan, and British Columbia. The formula which determines Equalization entitlements has a five-year term, at which point it is renewed by the Federal Government. A newly revised formula will be put in place on March 31st of this year. The new formula continues

much as before despite the mounting evidence that the current "five-province standard" does not provide an adequate amount of funding for the Equalization-receiving provinces.

Under Subsection 36.2 of the Canadian Constitution, the following commitment to equalization is made -

> "Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation."

It is very much a pertinent question as to whether the Federal Government is fulfilling this Constitutional obligation under the current "five-province standard" formula.

Over the last year and a half, federal and provincial officials have discussed needed amendments to the technical measurements in the formula. One of the improvements that some officials proposed attempted to address the disparities among provinces arising out of electricity pricing. The proposal was

rejected by the Federal Government despite independent academic support for its inclusion in Equalization. It would have provided us much needed help in this area. Some other minor changes were accepted by federal officials, and these were to have provided an additional $3.6 million for Prince Edward Island in 1987-88.

I must emphasize that the technical changes that were accepted should have been in the formula all along. Notwithstanding this, Canada's Finance Minister, Michael Wilson, arbitrarily decided to phase in the amounts for 1987-88 and 1988-89 so that only half their full value will be received in the coming fiscal year. Such arbitrary measures mean that equalization payments will not fully offset the gap between us and the richer provinces, as should be the case.

Recently I had the opportunity to sit down with Mr. Wilson personally to discuss the impact of restraint of federal fiscal transfers on the finances of Prince Edward Island. I was able to point out the significant fall, in real terms, in these monies over the past ten years. A very specific problem has emerged as a result of the release of the 1986 Census figures which indicate that we have about 1,500 fewer people on Prince Edward Island than had been thought. This translates into less Equalization

and less Established Programs Financing which are based on Statistics Canada's population estimate. The impact is felt not only for the coming year, but also for prior years.

Mr. Wilson announced later that day his decision not to reduce Equalization payments by the amount of these population related adjustments. Although the precise figures are not yet determined, the total amount for Prince Edward Island is in the order of $3 million, which otherwise would be lost to the Province. I am pleased to have played a part in encouraging Mr. Wilson to make this significant decision.

Unfortunately, his decision was tempered by a condition that other possible adjustments for these prior years would not be included in future payments. How much this involves, we do not know. Also, there is to be no forgiveness for Established Programs Financing adjustments for prior years, which reduce our revenues by $1.4 million. In addition, we continue to suffer from the decision he put in place last year to reduce Established Programs Financing growth by 2 per cent per year. That decision is costing us about $3.4 million in lost revenues in 1987-88. So, despite one small victory, the pressure of restraint continues its course.

PUBLIC ACCOUNTS FOR MARCH 31, 1986

The Public Accounts for the fiscal year ended March 31, 1986, have been provided to Honourable Members and accordingly I will comment only briefly. There are no significant changes from the last forecast since it was well after the 1986 year-end they were tabled in this House.

The Province incurred a deficit on current account of $14.5 million. This final figure is an improvement of $600,000. over that forecast last year.

Net capital expenditures were $28.1 million as compared to the earlier forecast of $28.2 million.

The estimates which I tabled last summer reflected a forecast increase in Net Debt of $21.0 million. The minor adjustments indicated above result in a decrease from my estimates to $20.2 million for the year ended March 31, 1986.

1986-87 FORECAST OF REVENUE AND EXPENDITURES

I indicated to this House last June when I tabled the 1986-87 Estimates that our government found it necessary to adopt much of the preparatory budget work done by our predecessors. We did reduce the current account deficit from a projected $32 million to $23 million in the short time available to us. I am pleased to report to this House tonight that we have been able to save $800,000 from our overall deficit target.

Current account expenditures are forecast at $511.3 million for the fiscal year to end March 31, 1987. This represents an increase over the original budget of $1.7 million. In addition to some minor variances from the original budget plan, I had to accommodate significant amounts which represent unforeseen, and in one case long overdue, expenditures committed or actually undertaken by the previous administration. The more significant changes are as follows:

Hospital and Health Services Commission +$3.5 million
-this is comprised of three items, that is, salary requirements in line with the collective bargaining agreements for the hospitals ($1.3 million), physicians fees ($1.2 million), and the write off of monies advanced to the Queen Elizabeth Hospital and spent several years ago ($1.0 million).

Department of Transportation and Public Works -this is due to increased costs at the government garage largely associated with the difficult snow conditions this winter.	+$1.4 million
Department of Health and Social Services -this is due in large measure to increased costs for social assistance clients.	+$1.3 million
Debt Charges -caused by reduced borrowings by Crown Agencies and others and delayed cash flow for government's own needs.	-$2.3 million
Department of Energy and Forestry -savings relate to the discontinuance of the residential electrical subsidy ($1.1 million) and miscellaneous other energy and forestry programs.	-$1.8 million
Department of Industry -caused by underspending in industrial support and a variety of departmental programs.	-$1.0 million

Current account revenues are forecast at $485.8 million or $500,000 less than estimated last year. Again, there are a small number of significant revenue changes as follows:

Gasoline Tax	+$2,000,000
Personal Income Tax	+$1,500,000
Equalization	+$1,300,000
Established Programs Financing	-$3,300,000
Investment Income	-$1,000,000

There is another matter which remains hanging over the head of this Government and is a legacy of the former administration. I refer, Mr. Speaker, to the costs, guarantees and commitments associated with the Red Meat Industry, in particular, that of hogs. At the present time the Prince Edward Island Government has contingent liabilities tied to the Hog Industry of over $8.4 million. The major government commitments are found in a shareholder's loan to the Meat Plant of nearly $4 million and a loan guarantee of over $4 million toward the Hog Stabilization Program. The extent to which Government may be released of these financial commitments can not be determined at this time, but I feel obliged to alert the Legislature to potential costs. I must point out once again, Mr. Speaker, that these are commitments of the former Government, but have become the responsibilities of this Government.

I would like to highlight for the members of the House that while Special Warrants in the amount of $6.9 million were required during the 1986-87 fiscal year this amount compares very favourably with prior years, for example,

1985-86	$31 Million
1984-85	$ 9.6 Million
1983-84	$11.7 Million
1982-83	$19.5 Million

I want to acknowledge the support of my cabinet colleagues in restraining the need for Special Warrants. I also recognize that on occasion I'm known as that fellow in Treasury Board who is pretty tight with money. There are a number of public servants and Ministers who have had to do without one piece of furniture or another, and who have had to curb desires to create, expand or improve upon government programs. However, careful management coupled with cooperation and understanding have been significant contributors to our collective effort in meeting our expenditure estimates to the extent that we have.

Capital expenditures for the fiscal year ended March 31, 1987, are forecast to be $25.5 million or some $3 million under budget.

Net capital expenditures, that is after deducting offsetting revenues, are forecast at $19.9 million, an improvement of $3.2 million.

Earnings and contributions to the Sinking Fund are forecast at $25.0 million or some $200,000 less than originally estimated.

The forecast budgetary deficit for the 1986-87 fiscal year, that is current account deficit plus net capital expenditures less the increase in the sinking fund, is $20.4 million, $800,000 less than budgeted last summer.

BORROWING REQUIREMENTS

As I have just indicated, the forecast budgetary position has improved slightly since the plan was adopted last year. The improvement of approximately $1.0 million provides a minor reduction to our budgetary borrowing requirements which were originally estimated at $46.4 million.

Other borrowing requirements estimated for crown corporations and others totalled $35.6 million last year. Various changes have occurred in these cash requirements with the result that the overall requirements are now forecast at $32.9 million. This reduces our borrowing requirements by $2.7 million.

Total borrowing requirements of $82 million estimated for 1986-87 are now forecast at $78.3 million.

Further savings have been achieved due to the timing of expenditures and the draw down of loan funds by crown agencies. Funds borrowed to date for 1986-87 are only $48 million. The differential of $30 million is still forecast to be required for commitments from the 1986-87 fiscal year but it now appears

it will not be necessary to borrow the funds until the 1987-88 fiscal year, with anticipated lower interest rates than if borrowed earlier.

One provincial debenture issue in the amount of $35 million was sold in January 1987 for a twenty year term which bears interest at 9.875 per cent.

The 1987-88 fiscal year will see our borrowing requirements reduced significantly for budgetary and loan purposes. The 1987-88 budgetary borrowing requirements are estimated at $38.7 million and borrowing requirements for crown corporations and others are estimated at $32.2 million. As well during the 1987-88 fiscal year a $25 million issue sold in 1982 will be refinanced.

Comparative borrowing requirements for 1987-88 are estimated at $70.9 million versus $82.0 million for 1986-87. This represents a significant improvement over the previous year. Including the refinancing of the $25 million borrowed in 1982 total requirements will be $94.4 million.

I plan to raise $83.5 million through public debenture issues and $11.9 million from the Canada Pension Plan. The excess balance of $1.0 million will be used to reduce unfunded debt.

BUDGET FOR 1987-88

Mister Speaker, I indicated to this House last year that I was endeavouring to get a grasp on the finances of the Province, that I was attempting to restore fiscal integrity and at the same time respond to the needs of our citizens. I am pleased with the progress we have achieved over the past ten months.

The Speech from the Throne which was delivered in this House on February 26, 1987, outlined in some detail the stance of this government in responding to the various needs of our citizens.

The reaction and comments of some members on the other side have brought forward the view that the Speech from the Throne was too rich and too ambitious for the finances of our Province to support. Such observations come from Opposition members who have participated in or supported a political party which seems incapable of establishing reasoned objectives, of establishing priorities and of staying out of trouble in big wasteful projects and programs. This Government's approach has been to carefully examine current programs and expenditures, to determine priorities, to develop new programs within a climate of planned revenue and expenditures and to avoid hasty, ill-conceived, expensive projects. I believe all citizens of our Province, with

the possible exception of my friends opposite, will agree with this approach to meeting the needs and aspirations of the people of our Province.

This Government's response will be all the more appreciated by the citizens of our province when they see from tonight's budget that these measures will not only be undertaken, but with the proper management can be completed while improving the fiscal circumstances of the Province as well.

Mr. Speaker, I will not attempt to identify each new initiative, each new program or each significantly expanded program which is provided for in the Estimates I am tabling here tonight. I will leave it to Ministers to provide the House with the details of planned initiatives in their own departments. I would however like to highlight a few of the more significant items provided for in the 1987-88 Estimates.

First of all, I would like to address the most significant issue facing not only our government but also many of our sister provinces across this country - unemployment.

In our approach to the severe unemployment in Prince Edward Island, we have identified two very different responsibilities. Two responsibilities which require two very different approaches.

First, there is the need for stable, long-term, meaningful work upon which our citizens can build their lives and establish security for themselves and their families. Second, there is a need to respond to the immediate short-term problems faced by those Islanders out of work now, and unable to find permanent and secure employment. In addition, there are Island students who need seasonal employment to help them continue their education.

I regret that the government in Ottawa is not providing the necessary leadership in either policy or dollars to address the problems, particularly in our region. Our government indicated in the Speech from the Throne that we will look to the private sector for the creation of long-term job opportunities. In this light tonight's budget will provide support to several programs, new and expanded, in a number of departments in our government.

In the **PEI Development Agency**

The Equity Investment Incentive Program will be established with $1 million in funding. This will encourage private initiatives via equity investments, in developing industry in our Province.

A new program of Export Development Assistance will be introduced to assist our export industries and allow us to take advantage of export opportunities. An amount of $150,000 will be directed to this program.

Two new assistance programs will be introduced to help existing manufacturers and processors. An In-Plant Product Development program with $100,000 in start up funds and the development of a Manufacturing Technical Support Centre budgeted at $117,000.

The PEI Development Agency will also introduce a new business prospecting strategy to find and locate new opportunities for our Province. An additional amount of $350,000 has been set aside.

In the Department of **Industry**

The new Economic and Regional Development Agreement which is in the final stages of negotiation will allow us to introduce additional efforts to assist in long-term job creation. An amount of $2.0 million is allocated for this purpose.

In the Department of **Tourism**

Additional funds in the amount of $100,000 are allocated for Atlantic Canada Regional Marketing. This is intended to further develop our major tourism markets of Nova Scotia and New Brunswick.

The Department of Tourism will also allocate an additional $150,000 towards Shoulder Season Market Development. This will assist in the extension of the tourist season and provide more employment opportunities to Islanders.

The additional allocation of $130,000 to Provincial Parks revitalization will assist in keeping our tourists in the Province for a longer stay with resulting economic spin-offs.

A new Crown Corporation, the **Food Technology Centre** will be given an initial allocation of $600,000 in order to commence its mandate to assist in the identification and capitalization of opportunities for our primary sector products. With this new initiative designed to identify and establish new products and processes we will assist, not only new producers, but, in fact, support our existing primary producers.

In the Department of **Fisheries** -

The fishing industry on Prince Edward Island has generally done quite well over the past three or four years with isolated areas of difficulty. In order to build on this prosperity and encourage fishermen to plan for the future a new initiative of $60,000 has been set aside for a Fishermen's Capital Investment

Fund. This fund will permit fishermen to set aside a maximum of $1,000 per year which will be matched by a 15 per cent contribution from government. The objective is to ensure that fishermen have the necessary resources to replace their capital investment when the time arrives.

The Department of Fisheries will also continue its efforts to expand aquaculture with a general focus on shellfish enhancement. An additional $200,000 in funding for 1987-88 is provided.

In the Department of **Agriculture** -

The Department will, in conjunction with the Government of Canada, move to implement the Atlantic Livestock Feed Initiative Program to improve forage and cereal production. An amount of $1.8 million has been allocated to this program.

New equipment at the Dairy laboratory will assist the dairy industry to meet new standards. An amount of $175,000 has been set aside for this purpose.

New equipment and facilities will be provided to the hog industry through support of PEI Quality Swine. An amount of $175,000 will be allocated to assist the organization in becoming more efficient in production and marketing.

Funding will be provided to permit the Driscoll Commission to complete its study of the potato industry. An amount of $116,000 has been allocated for this purpose.

While it is widely recognized that the private sector, with encouragement and support from government, must provide long-term employment opportunities, there is a more immediate need in our communities across this province.

The unemployment rate is unacceptably high and particularly so among our youth. In view of this serious situation a number of efforts are provided for in the 1987-88 Estimates which will assist:

- The Department of Industry has been allocated $910,000 to fund a Job for Youth Program.
- The Department of Industry has been allocated $400,000 under the Work Opportunities Fund.
- The P.E.I. Energy Corporation has been allocated $200,000 to provide seasonal employment opportunities.
- The Department of Health and Social Services has been allocated $1,500,000 for Job Creation Programs.
- The Department of Health and Social Services has been allocated $500,000 for Employment Enhancement Diversion Fund.

In summary, Mr. Speaker, we have allocated a total of over $4 million to short-term job creation this year, compared to a total of $2.4 million dedicated to this purpose last year.

Mr. Speaker, I want to reiterate that it is our government's view that unemployment represents the most serious problem facing our Province today. It is regrettable that we cannot do more to assist those in search of permanent, meaningful employment opportunities. We have attempted, as outlined, to provide what limited support we can in view of our fiscal situation. We are optimistic that the changes in government policy which we have implemented over the past ten months and the commitments undertaken in the recent throne speech will help to restore the entrepreneurial spirit to our people so that the private sector may move forward with many of the projects and plans which will deliver long-term job opportunities to our people.

Mr. Speaker, our government has other commitments which are intended to improve the social policies of our Province. Many of these important initiatives do not have high price tags but rather are clearly desirable public policy, for example, seat belt legislation, increasing the drinking age, and so on. In other cases there is the need for varying levels of public support to permit the disadvantaged to more fully and meaningfully participate in the affairs of our community. I

would now like to address a few of these new initiatives which are included in the Estimates I am tabling here tonight.

Department of **Community and Cultural Affairs**

- the department has identified $494,000 to complete the study and commence work in 1987-88 in the development and delivery of an Environmental Strategy for our Province.

Department of **Health and Social Services**

- the department has allocated $210,000 toward Family Support for the Physically Disabled.

- the department has allocated $13,000 for Interpretive Services for the Hearing Impaired.

- the department in conjunction with the Department of Education has allocated $245,000 for a special program for children with behavioural difficulties.

- day care funding will begin in September of this year. For the first half year, $185,000 has been allocated.

- the department has allocated $108,000 to provide assistance for Mental Health After Care programs.

Hospital Services Commission

- the commission has allocated $300,000 to assist the hospitals in the province to begin restoration of their equipment to minimum standards.

Department of **Education**

- the department has allocated an additional $328,000 toward specialized education programs for needy students.

- the department has allocated $1,500,000 for the school bus replacement program which represents a 50% increase over previous years.

- the department has committed $1 million towards the capital assistance fund established at the University of Prince Edward Island to restore its physical plant. The first of five installments of $200,000 is provided for in the estimates tabled here tonight.

Department of **Justice**

- the department has allocated $91,200 for Community Probation Support.

- the department will move ahead with plans for Young Offenders as earlier outlined by government.

Department of **Transportation and Public Works**

- the department has allocated $90,000 toward the introduction of a safe driving course for new drivers.

PEI Housing Corporation

- the corporation will provide loan funds to first time homeowners in rural parts of our province in order for them to have reasonable access to second mortgage monies similar to that offered by regular lending agencies in the urban parts of our province.

Mister Speaker, let me emphasize that I do not have the fiscal flexibility to respond to all of the needs of our citizens as I would have wished. On the other hand to ignore the plight of those in need until we are able to completely restore the fiscal position of the province would be equally wrong. We have begun to correct the problems. It will however take time. It took seven years to get into this situation, let's hope it doesn't take as long to get out.

Mr. Speaker, I have two revenue measures to announce tonight.

Effective with the 1987 property tax bills, that is for the 1987 calendar year, the rate of provincial tax on non-commercial property will be increased from 75 cents per $100. of assessment to $1.50 per $100 of assessment: HOWEVER, for resident property

owners, both individual and corporate, there will be an offsetting 75 cents per $100 of assessment tax credit. This tax credit will effectively mean that residents of Prince Edward Island will not incur any additional property tax burden. The effect of this tax measure will raise approximately $975,000 per annum.

Effective on proclamation of the legislative amendments to the Real Property Tax Act the government will repeal the deferred taxes element of real property tax. This will cost the Provincial Treasury approximately $25,000 per annum.

Mr. Speaker, while it is not a new revenue measure, I would like to highlight at this time that effective June 1, 1987, the Department of Finance will require the marking of middle distillate fuel, that is, furnace heating oil, in order to ensure only the taxable product is used for highway use as currently specified in legislation. The effect of improved enforcement for middle distillate fuel is expected to raise approximately $600,000.

Mr. Speaker, during the fiscal year to end March 31, 1988, I am estimating revenues on current account of $522.4 million and expenditures for the provision of government services of

$532.1 million which provides for a deficit on current account of $9.7 million.

I am pleased with our progress - in just one year we have reduced the current account deficit from $23.3 million to $9.7 million or a reduction of some $14 million. Again I must extend my thanks to my cabinet colleagues.

Capital expenditures for the coming year are estimated at $34.8 million with offsetting revenues of $5.8 million, for net capital expenditures of $29.0 million.

The sinking fund is estimated to receive $19.6 million in earnings and $8.6 million in instalments for a total increase of $28.2 million.

The overall budgetary deficit, that is, current account deficit plus net capital expenditures less the increase in the Sinking Fund, is therefore estimated to be $10.5 million. This again represents an improvement over the past fiscal year of approximately $10.7 million.

Mister Speaker, when I stood in this chamber to deliver the last budget address some nine months ago I stated "our new government has begun the slow, but steady, process of returning fiscal integrity to the operations of the Prince Edward Island government."

I am pleased to be here tonight to tell this assembly and the people of the Province that we are firmly in control. Progress has been achieved. We will continue to strive to improve the future social and economic prospects for all Prince Edward Islanders.

Thank you.

BUDGET SUMMARY

CONSOLIDATED REVENUE FUND AND SINKING FUND

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		Current Account	
$486,328,400	$485,802,800	Revenue	$522,352,800
509,642,900	511,280,800	Expenditure	532,090,200
$(23,314,500)	$(25,478,000)	Surplus(Deficit)	$(9,737,400)
		Capital Account	
$ 5,351,800	$ 5,609,500	Revenue	$ 5,829,800
28,453,800	25,507,400	Expenditure	34,841,800
$(23,102,000)	$(19,897,900)	Net Capital Expenditure	$(29,012,000)
		Sinking Fund	
$17,118,300	$17,111,000	Interest Earned	$19,577,900
8,063,400	7,902,200	Contributions from Consolidated Revenue Fund	8,649,500
$25,181,700	$25,013,200	Increase in Sinking Fund Assets	$28,227,400
$(21,234,800)	$(20,362,700)	TOTAL SURPLUS/(DEFICIT	$(10,522,000)

CURRENT REVENUE

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		Provincial Sources	
$ 4,531,600	$ 4,453,000	Licenses	$ 4,877,000
8,714,800	8,951,600	Fees and Services	10,214,100
13,582,200	12,866,700	Sales	12,717,200
190,214,800	194,175,400	Taxes	212,851,600
25,648,000	24,643,600	Investments	27,086,600
$242,691,400	$245,090,300		$267,746,500
		Government of Canada	
$142,000,000	$143,300,000	Equalization	$156,100,000
20,226,800	20,400,000	Canada Assistance Plan	22,088,200
4,600,000	4,210,000	Canada Employment	3,542,000
47,300,000	43,950,000	Established Programs Financing	46,200,000
5,700,000	5,700,000	Extended Health Care	5,950,000
6,721,800	6,179,900	Economic & Regional Development Agreement	9,019,200
17,088,400	16,972,600	Other	11,706,900
$243,637,000	$240,712,500		$254,606,300
$486,328,400	$485,802,800	TOTAL CURRENT REVENUE	$522,352,800

EXPENDITURE SUMMARY

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		Current	
$ 23,193,900	$ 22,730,000	Agriculture	$ 15,297,900
560,800	500,900	Land Development Corporation	561,700
756,600	1,051,000	P.E.I. Grain Elevators Corp.	-
11,506,200	11,935,800	Community & Cultural Affairs	12,367,600
93,100	137,900	Land Use Commission	147,600
1,008,900	1,061,300	Labour	1,236,800
6,856,700	6,936,300	General Education	7,402,300
80,649,500	80,649,500	Elementary & Secondary Education	84,702,200
25,115,300	25,115,300	Post Secondary Education	27,897,400
3,718,200	3,718,200	Vocational Programming	3,866,900
6,823,000	6,591,800	Tourism & Parks	7,143,900
1,729,200	1,863,700	Executive Council	1,857,500
5,981,900	6,193,000	Finance	6,616,600
944,200	945,000	P.E.I. Lending Authority	946,400
9,482,400	8,519,200	Industry	10,595,400
7,890,300	8,657,000	P.E.I. Development Agency	9,205,800
764,000	1,512,000	Georgetown Shipyards	-
71,624,800	72,909,500	Health & Social Services	80,833,400
2,924,200	2,938,300	Addiction Services	3,126,800
88,970,800	92,471,400	Hospital & Health Services Comm.	96,342,600
14,526,400	12,714,200	Energy & Forestry	11,399,800
902,200	1,024,600	P.E.I. Energy Corporation	921,100
11,355,300	12,308,000	Justice	13,433,600
2,779,100	2,622,700	P.E.I. Housing Corporation	2,508,900
2,534,300	2,499,500	Fisheries	2,662,000
2,222,000	2,222,000	Legislative Assembly	1,642,100
41,384,500	42,763,300	Transportation & Public Works	42,826,500
597,800	465,400	P.E.I. Crown Buildings Corp.	935,000
		Other Current Expenditures:	
852,100	787,400	Auditor General	856,300
777,700	785,000	Civil Service Commission	819,400
10,297,400	8,001,300	General Government	8,851,600
463,800	465,200	Treasury Board	532,200
602,700	602,700	Council of Maritime Premiers	600,000
-	52,000	P.E.I. Food Technology Centre	600,000
69,753,600	67,530,400	Debt Charges	73,352,900
$509,642,900	$511,280,800	TOTAL CURRENT	$532,090,200

CAPITAL REVENUE AND EXPENDITURE

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		REVENUE	
$ 225,000	$ 511,000	Subdivision Roads	$ 550,000
1,196,300	1,060,000	Highway Strengthening	-
3,884,700	3,580,400	Economic & Regional Development Agreement	5,269,800
-	419,000	Sale of Property	-
45,800	39,100	Other	10,000
$5,351,800	$5,609,500	TOTAL CAPITAL REVENUE	$5,829,800
		EXPENDITURE	
$27,832,000	$24,826,900	Highways	$30,076,100
299,000	355,000	Buildings	4,124,100
250,000	250,000	Parks	250,000
-	-	Vessell Haul Out	135,000
-	-	Laboratory Equipment	175,000
72,800	75,500	Fire Truck	81,600
$28,453,800	$25,507,400	TOTAL CAPITAL EXPENDITURES	$34,841,800

CASH REQUIREMENTS

	1986-87 Forecast ($'000)		1987-88 Estimate ($'000)	
Budgetary				
Net Capital Expenditure	$19,900		$29,000	
Current Account	25,500	$45,400	9,700	$38,700
Bond Issue Maturity:*				
25,000,000, 17%, Aug. 1987- $25,000				
Less Sinking Fund 1,500		-		23,500
Repayment Alberta Heritage Fund Loan		2,000		3,000
Repayment of Federal Loan		300		300
Net Advances to Crown Corporations				
Land Development Corporation	1,400		3,300	
Prince Edward Island Development Agency	6,700		2,500	
Provincial Lending Authority	7,500		5,000	
Housing Corporation	2,800		3,300	
Energy Corporation	1,100		150	
Liquor Control Commission	-	19,500	300	14,550
School Construction		2,800		3,850
Hospital Construction		500		3,600
Atlantic Veterinary College		5,500		3,500
Meat Processing Facility		2,300		
North Eastern Energy Corporation				3,400
		$78,300		$94,400
Cash Sources				
Debenture Issues:				
Current Year	$35,000		$60,000	
Refinancing Maturity*	-	$35,000	23,500	$83,500
Canada Pension Plan		13,300		11,900
		$48,300		$95,400
Increase (Decrease) in Unfunded Debt		$30,000		$(1,000)

Schedule 6

STATISTICS ON PRINCE EDWARD ISLAND ECONOMY 1982-86

	1982	1983	1984	1985	1986
Total Population, P.E.I., '000	122.7	124.3	125.9	127.4	128.1
Personal Income Per Capita $	8,943	10,056	10,310	na	na
As % Canadian Personal Income	69.4	74.3	71.5	na	na
Total Employment, 000's, P.E.I.	45.0	48.0	49.0	51.0	52.0
Unemployment Rate, P.E.I.%	12.9	12.2	12.8	13.2	13.4
Unemployment Rate, Canada %	11.0	11.9	11.3	10.5	9.6
Annual Changes in Consumer Price Index, Charlottetown-Summeride %	9.5	5.1	4.3	3.8	2.0
Annual Changes in Consumer Price Index, Canada %	10.8	5.8	4.4	4.0	4.1
Value of Retail Trade $ Millions	412.4	471.7	520.7	547.5	573.4
Number of New Motor Vehicle Sales	3,755	5,315	6,308	6,236	5,903
Farm Cash Receipts $ Millions	164.2	175.7	195.9	176.3	197.3
Potato Receipts $ Millions	52.2	65.0	72.3	54.1	63.7
Value of Fish Landings $ Millions	35.4	44.1	37.8	51.9	67.1
Housing Starts, Numbers	248	673	643	788	1,110
Public and Private Investment $ Million	268.0	292.2	316.2	344.7	358.2
Value of Manufacturing Shipments $ Millions	253.7	283.7	283.0	292.0	312.7
Value of Non-Resident Tourist Expenditures $ Million	49.5	50.1	54.2	58.6	62.4
Gross Domestic Product at Market Prices $ Millions	1,039	1,198	1,229	na	na

ESTIMATES
OF
REVENUE AND EXPENDITURE

FOR THE FISCAL YEAR ENDING MARCH 31st

1988

INCLUDING INTERIM STATEMENT

FOR THE FISCAL YEAR ENDING MARCH 31st

1987

TREASURY BOARD

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SUMMARY

BUDGET SUMMARY

CONSOLIDATED REVENUE FUND AND SINKING FUND

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		Current Account	
$486,328,400	$485,802,800	Revenue	$522,352,800
509,642,900	511,280,800	Expenditure	532,090,200
(23,314,500)	(25,478,000)	Surplus (Deficit)	(9,737,400)
		Capital Account	
5,351,800	5,609,500	Revenue	5,829,800
28,453,800	25,507,400	Expenditure	34,841,800
(23,102,000)	(19,897,900)	Net Capital Expenditure	(29,012,000)
		Sinking Fund	
17,118,300	17,111,000	Interest Earned	19,577,900
8,063,400	7,902,200	Contributions from Consolidated Revenue Fund	8,649,500
25,181,700	25,013,200	Increase in Sinking Fund Assets	28,227,400
(21,234,800)	(20,362,700)	TOTAL SURPLUS/(DEFICIT)	(10,522,000)

REVENUE SUMMARY

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		(A) CURRENT	
		Province	
$ 4,531,600	$ 4,453,000	Licenses and Permits	$ 4,877,000
8,714,800	8,951,600	Fees and Services	10,214,100
13,532,200	12,866,700	Sales	12,717,200
190,214,800	194,175,400	Taxes	212,851,600
25,648,000	24,643,600	Investments	27,086,600
242,691,400	245,090,300	PROVINCE	267,746,500
243,637,000	240,712,500	GOVERNMENT OF CANADA	254,606,300
486,328,400	485,802,800	TOTAL CURRENT	522,352,800
		(B) CAPITAL	
225,000	511,000	Subdivision Roads	550,000
35,800	29,100	Airport Access Road	-
1,196,300	1,060,000	Highway Strengthening	-
10,000	10,000	Miscellaneous	10,000
3,884,700	3,580,400	Economic & Regional Development Agreement	5,269,800
-	419,000	Sale of Property	-
5,351,800	5,609,500	TOTAL CAPITAL	5,829,800

Note: 1986-87 Forecast - Appendix II, page 114 summarizes the major changes in 1986-87 forecasted revenue and expenditure from those amounts included in the 1986-87 main Estimates.

EXPENDITURE SUMMARY

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		(A) Current	
$ 23,193,900	$ 22,730,000	Agriculture	$ 15,297,900
560,800	500,900	Land Development Corporation	561,700
756,600	1,051,000	P.E.I. Grain Elevators Corp.	-
11,506,200	11,935,800	Community & Cultural Affairs	12,367,600
93,100	137,900	Land Use Commission	147,600
1,008,900	1,061,300	Labour	1,236,800
6,856,700	6,936,300	General Education	7,402,300
80,649,500	80,649,500	Elementary & Secondary Education	84,702,200
25,115,300	25,115,300	Post Secondary Education	27,897,400
3,718,200	3,718,200	Vocational Programming	3,866,900
6,823,000	6,591,800	Tourism & Parks	7,143,900
1,729,200	1,863,700	Executive Council	1,857,500
5,981,900	6,193,000	Finance	6,616,600
944,200	945,000	P.E.I. Lending Authority	946,400
9,482,400	8,519,200	Industry	10,595,400
7,890,300	8,657,000	P.E.I. Development Agency	9,205,800
764,000	1,512,000	Georgetown Shipyards	-
71,624,800	72,909,500	Health & Social Services	80,833,400
2,924,200	2,938,300	Addiction Services	3,126,800
88,970,800	92,471,400	Hospital & Health Services Comm.	96,342,600
14,526,400	12,714,200	Energy & Forestry	11,399,800
902,200	1,024,600	P.E.I. Energy Corporation	921,100
11,355,300	12,308,000	Justice	13,433,600
2,779,100	2,622,700	P.E.I. Housing Corporation	2,508,900
2,534,300	2,499,500	Fisheries	2,662,000
2,222,000	2,222,000	Legislative Assembly	1,642,100
41,384,500	42,763,300	Transportation & Public Works	42,826,500
597,800	465,400	P.E.I. Crown Buildings Corp.	935,000
		Other Current Expenditures:	
852,100	787,400	Auditor General	856,300
777,700	785,000	Civil Service Commission	819,400
10,297,400	8,001,300	General Government	8,851,600
463,800	465,200	Treasury Board	532,200
602,700	602,700	Council of Maritime Premiers	600,000
-	52,000	P.E.I. Food Technology Centre	600,000
69,753,600	67,530,400	Debt Charges	73,352,900
509,642,900	511,280,800	TOTAL CURRENT	532,090,200

Note: 1986-87 Forecast-Appendix II, page 114 summarizes the major changes in 1986-87 forecasted revenue and expenditure from those amounts included in the 1986-87 main Estimates.

EXPENDITURE SUMMARY (Cont'd)

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		(B) Capital	
$ 28,131,000	$ 25,181,900	Transportation & Public Works	$ 34,200,200
72,800	75,500	Energy & Forestry	81,600
250,000	250,000	Tourism & Parks	250,000
-	-	Agriculture	175,000
-	-	Fisheries	135,000
28,453,800	25,507,400	TOTAL CAPITAL	34,841,800

DETAILED
REVENUE ESTIMATES

REVENUE FROM PROVINCE OF PRINCE EDWARD ISLAND

1986-87 Budget Estimate	1986-87 Forecast	Revenue Source	1987-88 Budget Estimate
		(A) Licenses and Permits	
$ 148,500	$ 17,500	Gas & Oil Licenses	$ 15,300
129,200	129,200	Fish & Game Licenses	152,200
3,655,000	3,615,700	Motor Vehicle Licenses and Permits	3,986,000
90,000	135,000	Companies Act	150,000
250,000	245,000	Registration & Licensing Act	250,000
90,000	90,000	Insurance Act	90,000
45,000	75,000	Securities Act	65,000
50,000	60,000	Provincial Lotteries	65,000
73,900	85,600	Other	103,500
4,531,600	4,453,000		4,877,000
		(B) Fees and Services	
5,424,400	5,518,700	Patient Fees	5,872,900
119,900	116,600	Professional Services	36,000
120,000	110,000	Court Fees	120,000
110,000	120,000	Land Title & Registry Office	810,000
200,000	203,000	Park Fees	250,500
210,000	239,800	Green Fees	277,000
149,000	70,000	Electrical Inspection Fees	125,000
65,000	110,000	Probate Court Fees	80,000
231,500	283,700	Public Buildings Rental	359,000
600,000	600,000	Fines & Penalties	640,000
66,000	68,000	R.C.M.P. Recoveries	66,000
67,000	80,400	Membership	91,000
525,700	525,700	Tuition Reimbursement	770,400
120,000	120,000	Court Fees	60,800
125,000	30,000	Fees - Land Use Commission	66,000
581,300	755,700	Other	589,500
8,714,800	8,951,600		10,214,100

REVENUE FROM PROVINCE OF PRINCE EDWARD ISLAND (Cont'd)

1986-87 Budget Estimate	1986-87 Forecast			1987-88 Budget Estimate
		(C)	**Sales**	
$ 273,000	$ 270,100		Meals	$ 262,300
50,000	44,500		Drugs, Toxoids	47,800
8,897,700	8,411,500		Liquor Control Act	8,687,200
3,000,000	3,000,000		Lottery Revenue	3,000,000
674,600	580,000		Grain Elevators	-
160,000	17,000		Seaweed Market Stabilization	200,000
85,000	85,000		Island Transit	85,000
441,900	458,600		Other	434,900
13,582,200	12,866,700			12,717,200
		(D)	**Taxes**	
8,254,800	7,880,400		Health Tax on Liquor	8,041,600
9,800,000	9,000,000		Health Tax on Tobacco	9,600,000
1,200,000	1,100,000		Entertainment Tax	1,100,000
19,350,000	20,000,000		Real Property Tax	21,975,000
66,600,000	67,500,000		Sales Tax	72,100,000
14,000,000	16,000,000		Gasoline Tax	17,600,000
59,700,000	61,250,000		Income Tax -Personal	67,900,000
900,000	950,000		Insurance Premium Tax	1,000,000
10,325,000	10,400,000		Income Tax - Corporate	13,450,000
85,000	95,000		Fire Prevention Tax Act	85,000
190,214,800	194,175,400			212,851,600
25,648,000	24,643,600	(E)	**Investments**	27,086,600
242,691,400	245,090,300		TOTAL REVENUE FROM PROVINCE OF PRINCE EDWARD ISLAND	267,746,500

REVENUE FROM GOVERNMENT OF CANADA

1986-87 Budget Estimate	1986-87 Forecast	Revenue Source	1987-88 Budget Estimate
$142,000,000	$143,300,000	Equalization	$156,100,000
20,226,800	20,400,000	Canada Assistance Plan	22,088,200
4,600,000	4,210,000	Canada Employment	3,542,000
3,700,000	4,000,000	Income Tax on Electricity	3,900,000
65,000	84,700	Emergency Measures Organization	98,700
668,000	668,000	Statutory Subsidy	670,000
115,000	150,000	Legal Aid	160,000
1,513,300	1,518,300	Minority & Second Language	1,568,100
47,300,000	43,950,000	Established Programs Financing	46,200,000
297,900	226,000	Rehabilitation Programs	265,000
5,700,000	5,700,000	Extended Health Services	5,950,000
6,721,800	6,179,900	Economic & Regional Development Agreement	9,019,200
3,600,000	2,920,700	Energy Rebate	1,280,000
588,500	700,000	Young Offenders Services	1,045,000
6,000,000	6,000,000	Potato Diversion Program	-
-	-	Atlantic Livestock Feed Incentive	1,800,000
540,700	704,900	Other	920,100
243,637,000	240,712,500	TOTAL REVENUE FROM GOVERNMENT OF CANADA	254,606,300

DETAILED
EXPENDITURE ESTIMATES

AGRICULTURE

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 484,100	$ 591,200	ADMINISTRATION SERVICES	$ 592,200
		MARKETING SERVICES	
10,579,200	10,047,500	Marketing	1,119,200
1,344,000	1,173,000	Hog Stabilization	1,054,900
166,700	168,100	Commodity Education	153,300
12,089,900	11,388,600		2,327,400
		PLANT INDUSTRY SERVICES	
198,900	214,200	Branch Management	210,800
254,200	253,500	Soil & Feed Testing	327,100
128,300	122,100	Disease & Weed Control	124,000
263,500	352,000	Potato Industry Services	174,000
497,200	892,400	Potato Disease Control	740,500
600,000	600,000	Limestone Incentive	600,000
108,400	117,600	Land Resources	114,200
2,050,500	2,551,800		2,290,600
		EXTENSION SERVICES	
81,800	84,200	Branch Management	86,000
148,100	165,000	Farm Development Programs	139,200
875,900	851,000	District Offices	924,800
2,678,900	2,318,000	Livestock Services	2,358,500
329,900	304,100	Crops	349,600
457,100	463,700	Rural Development	480,000
344,500	344,500	Agricultural Education	213,600
253,700	247,000	Grants	213,800
303,000	306,500	Engineering	319,900
238,500	205,200	Small Farms Program	244,500
178,400	190,600	Community Pastures	126,800
-	-	Atlantic Livestock Feed Initiative	1,800,000
5,889,800	5,479,800		7,256,700

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		ANIMAL INDUSTRY SERVICES	
$ 201,800	$ 229,300	Branch Management	$ 216,800
1,332,000	1,329,700	Veterinary Services	1,374,300
219,000	219,000	Artificial Breeding	219,000
375,700	370,200	Dairy	496,300
55,400	71,700	Swine Inspection	33,500
2,183,900	2,219,900		2,339,900
191,800	194,700	INFORMATION SERVICES	183,400
101,100	99,300	P.E.I. MARKETING COUNCIL	94,800
202,800	204,700	P.E.I. CROP INSURANCE AGENCY	212,900
23,193,900	22,730,000	TOTAL DEPARTMENT OF AGRICULTURE	15,297,900
560,800	500,900	LAND DEVELOPMENT CORPORATION	561,700
756,600	1,051,000	P.E.I. GRAIN ELEVATORS CORPORATION	-
24,511,300	24,281,900	TOTAL AGRICULTURE	15,859,600

AGRICULTURE

1. ADMINISTRATION SERVICES

Administration		63,600	
Materials & Supplies		12,000	
Professional Services		1,000	
Salaries		363,800	
Travel		35,200	
Royal Commission on Potatoes		116,600	592,200

2. MARKETING SERVICES

A. MARKETING

Administration	7,200		
Equipment	6,000		
Materials & Supplies	8,500		
Professional Services	11,300		
Salaries	522,800		
Travel	45,200		
Potatoes Canada	55,000		
Hog Transportation Assistance	26,000		
Hog Assembly Yard (Interest)	600		
Production & Market Commodity Dev.	113,700		
Cole Crop Project	20,600		
Miscellaneous Grants	22,700		
Farmers' Market	38,000		
Cream Assistance	40,000		
Red Meat Stabilization	120,000		
Special Potato Disease Control Program	81,600	1,119,200	

B. HOG STABILIZATION

Administration	31,300		
Hog Stabilization Fund - Grant	391,000		
Hog Stabilization Fund - Interest	418,700		
Hog Marketing Subsidy	213,900	1,054,900	

C. COMMODITY EDUCATION

Materials & Supplies	39,700		
Professional Services	18,500		
Salaries	3,700		
School Milk Program	91,400	153,300	2,327,400

3. PLANT INDUSTRY SERVICES

A. BRANCH MANAGEMENT			
Administration	78,100		
Materials & Supplies	10,100		
Salaries	116,100		
Travel	6,500	210,800	
B. SOIL & FEED TESTING			
Administration	1,200		
Equipment	9,500		
Materials & Supplies	50,500		
Professional Services	27,000		
Salaries	235,700		
Travel	3,200	327,100	
C. DISEASE & WEED CONTROL			
Equipment	1,000		
Materials & Supplies	7,200		
Salaries	96,300		
Travel	19,500	124,000	
D. POTATO INDUSTRY SERVICES			
Administration	300		
Equipment	700		
Materials & Supplies	5,200		
Professional Services	8,800		
Salaries	116,400		
Travel	42,600	174,000	
E. POTATO DISEASE CONTROL			
Equipment	8,000		
Materials & Supplies	47,400		
Professional Services	48,500		
Salaries	392,000		
Travel	48,600		
Potato Seed Incentive	196,000	740,500	
F. LIMESTONE INCENTIVE		600,000	
G. LAND RESOURCES			
Administration	500		
Equipment	1,000		
Materials & Supplies	1,600		
Salaries	98,500		
Travel	12,600	114,200	2,290,600

4. EXTENSION SERVICES

A. BRANCH MANAGEMENT

Administration	400	
Salaries	83,300	
Travel	2,300	86,000

B. FARM DEVELOPMENT PROGRAMS

Administration	3,500	
Materials & Supplies	1,800	
Professional Services	4,600	
Salaries	111,800	
Travel	7,300	
New Farmer Interest Subsidy	10,200	139,200

C. DISTRICT OFFICES

Administration	3,200	
Equipment	800	
Materials & Supplies	15,200	
Salaries	823,700	
Travel	65,900	
District 4-H Councils	4,500	
Agricultural Extension Program	11,500	924,800

D. LIVESTOCK SERVICES

Administration	2,600	
Equipment	4,300	
Materials & Supplies	11,300	
Professional Services	52,300	
Salaries	627,000	
Travel	104,700	
Swine Genetic Development	175,000	
Livestock Development	6,300	
Swine Incentive Program	1,238,500	
Beef Quality Incentive Program	136,500	2,358,500

E. CROPS

Administration	2,200	
Equipment	2,200	
Materials & Supplies	2,700	
Salaries	273,500	
Travel	21,200	
Strawberry Development	1,500	
Field Crop Development	26,000	
Tobacco Development	3,000	
Horticulture Development	17,300	349,600

4. EXTENSION SERVICES (Cont'd)

F. RURAL DEVELOPMENT

Administration	20,800	
Equipment	22,700	
Materials & Supplies	39,200	
Professional Services	40,500	
Salaries	209,300	
Travel	25,900	
4-H Program	44,000	
Agricultural Manpower Committee	10,600	
Farm Organization Policy	67,000	480,000

G. AGRICULTURAL EDUCATION

Technical Assistance		213,600

H. GRANTS

Bee Development Program	5,600	
Quality Seed Program	24,000	
Cattle Development Program	47,700	
Swine Development Program	50,000	
Sheep Development Program	2,000	
Poultry Development Program	1,000	
Horse Development	32,500	
Livestock Breed Associations	27,000	
Assistance to Out-of-Province Exhibitors	24,000	213,800

I. ENGINEERING

Administration	1,600	
Equipment	3,000	
Materials & Supplies	6,300	
Salaries	273,900	
Travel	35,100	319,900

J. SMALL FARMS PROGRAM

Administration	2,900	
Materials & Supplies	3,200	
Professional Services	1,000	
Salaries	206,200	
Travel	31,200	244,500

K. COMMUNITY PASTURES

Administration	9,000	
Materials & Supplies	21,700	
Professional Services	25,000	
Salaries	48,000	
Travel	5,000	
Grants	18,100	126,800

4. EXTENSION SERVICES (Cont'd)			
L. ATLANTIC LIVESTOCK FEED INITIATIVE			
Grants		1,800,000	7,256,700
5. ANIMAL INDUSTRY SERVICES			
A. BRANCH MANAGEMENT			
Administration	32,200		
Equipment	10,000		
Materials & Supplies	8,600		
Professional Services	73,600		
Salaries	86,500		
Travel	5,900	216,800	
B. VETERINARY SERVICES			
Materials & Supplies	1,700		
Professional Services	18,000		
Veterinary Services - Herd Health	345,500		
Veterinary Subsidy	607,700		
Veterinary Pathology/Atlantic Veterinary College	401,400	1,374,300	
C. ARTIFICIAL BREEDING			
Professional Services	19,000		
Grant to P.E.I. Artificial Breeders Association	200,000	219,000	
D. DAIRY			
Administration	1,600		
Equipment	18,600		
Materials & Supplies	94,400		
Professional Services	2,300		
Salaries	333,500		
Travel	45,900	496,300	
E. SWINE INSPECTION			
Materials & Supplies	4,000		
Salaries	21,500		
Travel	8,000	33,500	2,339,900

6.	INFORMATION SERVICES		
	Administration	3,300	
	Equipment	600	
	Materials & Supplies	66,800	
	Professional Services	700	
	Salaries	104,000	
	Travel	8,000	183,400
7.	P.E.I. MARKETING COUNCIL		
	Administration	500	
	Materials & Supplies	3,800	
	Professional Services	10,700	
	Salaries	67,200	
	Travel	7,000	
	Grants to Commodity Boards	5,600	94,800
8.	P.E.I. CROP INSURANCE AGENCY		
	Administration	900	
	Equipment	200	
	Materials & Supplies	1,400	
	Salaries	186,900	
	Travel	23,500	212,900
	TOTAL DEPARTMENT OF AGRICULTURE		15,297,900

LAND DEVELOPMENT CORPORATION

A.	ADMINISTRATION		
	Administration	17,200	
	Materials & Supplies	9,400	
	Professional Services	5,000	
	Salaries	289,600	
	Travel	12,500	333,7
B.	LAND ACQUISITION COST		
	Professional Services		14,9
C.	OTHER		
	Administration	14,600	
	Debt	185,400	
	Materials & Supplies	13,100	213,1
	TOTAL LAND DEVELOPMENT CORPORATION		561,7

COMMUNITY & CULTURAL AFFAIRS

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 458,500	$ 422,600	Administration	$ 495,500
502,100	505,100	Planning Services	499,500
829,400	838,300	Youth, Fitness & Recreation	815,700
4,696,000	5,043,200	Municipal Support	4,633,800
1,739,300	1,756,800	Cultural Affairs	1,796,900
796,300	811,600	Building & Development Services	829,900
1,794,000	1,828,800	Environmental & Technical Services	2,381,600
588,300	628,700	Fish & Wildlife	773,600
102,300	100,700	Emergency Measures Organization	141,100
11,506,200	11,935,800	TOTAL DEPARTMENT OF COMMUNITY & CULTURAL AFFAIRS	12,367,600
93,100	137,900	LAND USE COMMISSION	147,600
11,599,300	12,073,700	TOTAL COMMUNITY & CULTURAL AFFAIRS	12,515,200

COMMUNITY & CULTURAL AFFAIRS

1. ADMINISTRATION

Administration		101,700	
Equipment		17,100	
Materials & Supplies		19,900	
Professional Services		26,000	
Salaries		291,800	
Travel		25,500	
P.E.I. Rural Beautification Society		13,500	495,500

2. PLANNING SERVICES

A. ADMINISTRATION

Administration	1,200		
Materials & Supplies	18,200		
Professional Services	2,000		
Salaries	439,600		
Travel	5,300		
Canadian Council of Resource & Environment Ministers	4,200	470,500	

B. COMMUNITY PLANNING

Administration	2,200		
Equipment	1,700		
Materials & Supplies	8,200		
Travel	16,900	29,000	499,500

3. YOUTH, FITNESS & RECREATION

Administration		1,000	
Materials & Supplies		1,600	
Salaries		288,800	
Travel		26,500	
Sports Hall of Fame		4,900	
Leadership Development		10,000	
Sport P.E.I.		101,200	
Racing & Sport Commission		28,500	
Community Recreation Support Program		175,000	
Allied Youth & Peer Education		38,400	
Other Youth Programs		2,200	
Sports Governing Bodies		96,600	
Recreation & Sports Association for the Disabled		41,000	815,700

4. MUNICIPAL SUPPORT			
C.A.D.C.		257,800	
Federation of P.E.I. Municipalities		13,700	
Municipal Training Support		5,000	
Municipal Equalization Grants		3,500,000	
Environmental Servicing Assistance Program		670,000	
Debt Retirement		187,300	4,633,800
5. CULTURAL AFFAIRS			
A. GENERAL			
Administration	15,000		
Materials & Supplies	700		
Salaries	75,200		
Travel	5,000		
Island Community Theatre	40,000		
Fathers of Confederation Memorial	835,300		
P.E.I. Council of the Arts	145,900		
Cultural Products Development	40,000		
Cultural Industries Support	10,000		
Assistance to Regional/County Arts Councils	10,000		
Community Schools	44,300		
Community Heritage Foundation of P.E.I.	16,700		
Regional/National Cultural Organizations	3,000	1,241,100	
B. P.E.I. MUSEUM & HERITAGE FOUNDATION			
Salaries	432,000		
Operating Grant	123,800	555,800	1,796,900
6. BUILDING & DEVELOPMENT SERVICES			
A. ADMINISTRATION			
Administration	1,300		
Equipment	1,400		
Materials & Supplies	19,100		
Professional Services	3,500		
Salaries	570,400		
Travel	79,300		
Firefighting Assistance	48,900		
Workers' Compensation Claims	18,000		
Training Program for Firemen	5,000	746,900	
B. DERELICT CARS			
Materials & Supplies	26,400		
Professional Services	56,600	83,000	829,900

7. ENVIRONMENTAL & TECHNICAL SERVICES

A. ADMINISTRATION

Administration	2,600	
Equipment	500	
Materials & Supplies	20,800	
Salaries	330,800	
Travel	47,000	401,700

B. PROVINCIAL SOLID WASTE MANAGEMENT

Equipment	1,100	
Materials & Supplies	21,600	
Professional Services	434,200	
Salaries	51,700	
Travel	5,900	
Tippage Fees - P.E.I. Energy Corp.	287,000	801,500

C. COMMUNITY DUMPS

Administration	100	
Materials & Supplies	93,700	
Professional Services	83,000	
Grants	15,400	192,200

D. MARINE ENVIRONMENT

Equipment	2,000	
Materials & Supplies	6,600	
Salaries	39,700	
Travel	10,000	58,300

E. CONSERVATION STRATEGY

Administration	5,000	
Materials & Supplies	24,000	
Professional Services	285,000	
Salaries	155,000	
Travel	25,000	494,000

F. WATER RESOURCES

Equipment	5,400	
Materials & Supplies	9,900	
Professional Services	18,500	
Salaries	232,600	
Travel	36,300	302,700

7. ENVIRONMENTAL & TECHNICAL SERVICES (Cont'd)			
G. COMMUNITY SERVICES LABORATORY			
Equipment	4,700		
Materials & Supplies	15,300		
Salaries	111,200	131,200	2,381,600
8. FISH & WILDLIFE			
A. ADMINISTRATION			
Administration	19,300		
Equipment	2,000		
Materials & Supplies	15,500		
Professional Services	30,000		
Salaries	383,000		
Travel	83,100		
P.E.I. Wildlife Federation	1,500	534,400	
B. FISHERIES			
Materials & Supplies	5,400		
Professional Services	65,500	70,900	
C. UPLAND GAME			
Materials & Supplies	6,000		
Professional Services	4,000	10,000	
D. WATERFOWL & FURBEARERS			
Equipment	500		
Materials & Supplies	5,600		
Professional Services	1,200	7,300	
E. HUNTER SAFETY			
Materials & Supplies	4,000		
Professional Services	2,000	6,000	
F. CO-OPERATIVE WATERSHED MANAGEMENT			
Materials & Supplies	14,000		
Salaries	112,000		
Travel	16,000	142,000	
G. TRAPPER EDUCATION			
Materials & Supplies	2,000		
Professional Services	1,000	3,000	773,600

9. EMERGENCY MEASURES ORGANIZATION

A. ADMINISTRATION

Administration	1,300		
Materials & Supplies	200		
Salaries	36,700		
Travel	4,200	42,400	

B. JOINT EMERGENCY PLANNING PROGRAMS

Administration	5,300		
Equipment	2,000		
Materials & Supplies	7,100		
Professional Services	16,400		
Salaries	57,700		
Travel	10,200	98,700	141,100

TOTAL DEPARTMENT OF COMMUNITY & CULTURAL AFFAIRS 12,367,600

LAND USE COMMISSION

Administration	4,900	
Materials & Supplies	3,200	
Professional Services	12,000	
Salaries	118,300	
Travel	9,200	
TOTAL LAND USE COMMISSION		147,600

LABOUR

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 253,800	$ 256,400	Administration	$ 282,600
13,600	33,100	Industrial Relations	14,100
78,800	79,200	Labour Standards Division	85,500
149,600	145,900	Boiler Inspection Division	157,700
60,600	84,600	Labour Relations Board	62,900
8,900	8,900	Labour Management Relations Council	8,900
42,800	43,300	Labour Management Division	44,900
352,700	363,400	Occupational Health & Safety	490,300
48,100	46,500	Women's Division	89,900
1,008,900	1,061,300	TOTAL LABOUR	1,236,800

LABOUR

1. ADMINISTRATION		
Administration	43,000	
Equipment	1,000	
Materials & Supplies	6,700	
Salaries	217,300	
Travel	14,600	282,600
2. INDUSTRIAL RELATIONS		
Administration	500	
Materials & Supplies	1,000	
Professional Services	10,800	
Travel	1,800	14,100
3. LABOUR STANDARDS DIVISION		
Administration	900	
Materials & Supplies	1,200	
Professional Services	500	
Salaries	76,400	
Travel	6,500	85,500
4. BOILER INSPECTION DIVISION		
Administration	1,300	
Equipment	200	
Materials & Supplies	3,400	
Salaries	136,800	
Travel	16,000	157,700
5. LABOUR RELATIONS BOARD		
Administration	1,200	
Materials & Supplies	900	
Professional Services	1,500	
Salaries	55,800	
Travel	3,500	62,900
6. LABOUR MANAGEMENT RELATIONS COUNCIL		
Administration	400	
Materials & Supplies	1,100	
Salaries	6,900	
Travel	500	8,900

7. LABOUR MANAGEMENT DIVISION		
Administration	400	
Materials & Supplies	200	
Salaries	40,800	
Travel	3,500	44,900
8. OCCUPATIONAL HEALTH & SAFETY		
Administration	4,500	
Equipment	6,300	
Materials & Supplies	4,400	
Salaries	405,100	
Travel	70,000	490,300
9. WOMEN'S DIVISION		
Administration	700	
Materials & Supplies	3,600	
Professional Services	3,000	
Salaries	72,500	
Travel	10,100	89,900
TOTAL LABOUR		1,236,800

EDUCATION

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		GENERAL EDUCATION	
$ 216,600	$ 218,900	Senior Management	$ 333,700
379,900	383,500	Administrative Services	402,600
1,254,400	1,257,100	Financial Services	1,284,200
1,484,100	1,497,900	Libraries	1,603,000
559,800	566,000	Program Development & Implementation	618,100
2,961,900	3,012,900	Educational Services	3,160,700
6,856,700	6,936,300		7,402,300
80,649,500	80,649,500	ELEMENTARY & SECONDARY EDUCATION	84,702,200
		POST SECONDARY EDUCATION	
21,101,200	21,101,200	Maritime Provinces Higher Education Commission	22,342,600
1,988,800	1,988,800	Student Aid	2,268,900
2,025,300	2,025,300	Operating Cost - Atlantic Veterinary College	3,285,900
25,115,300	25,115,300		27,897,400
3,718,200	3,718,200	VOCATIONAL PROGRAMMING	3,866,900
116,339,700	116,419,300	TOTAL EDUCATION	123,868,800

EDUCATION

I. GENERAL EDUCATION

1. SENIOR MANAGEMENT

Administration		5,300	
Professional Services		100,000	
Salaries		203,700	
Travel		24,700	333,700

2. ADMINISTRATIVE SERVICES

A. GENERAL

Administration	28,100		
Materials & Supplies	4,300		
Salaries	220,300		
Travel	3,100		
P.E.I. Teachers Federation In-Service Training	10,000		
Terry Fox Youth Centre	11,500		
Safe Graduation Program	5,500	282,800	

B. SYSTEMS & INFORMATION

Materials & Supplies	4,400		
Salaries	114,400		
Travel	1,000	119,800	402,600

3. FINANCIAL SERVICES

A. GENERAL

Administration	62,200		
Equipment	4,000		
Materials & Supplies	13,700		
Salaries	122,200		
Travel	2,700		
P.E.I. School Athletic Assoc.	8,500	213,300	

B. BOOK SUPPLY

Materials & Supplies	952,800		
Salaries	115,100		
Travel	3,000	1,070,900	1,284,200

I. GENERAL EDUCATION (Cont'd)

4. LIBRARIES

A. HEADQUARTERS

Administration	4,700		
Equipment	1,000		
Materials & Supplies	39,100		
Salaries	300,700		
Travel	3,200	348,700	

B. CONFEDERATION CENTRE

Administration	25,000		
Equipment	6,700		
Materials & Supplies	50,700		
Professional Services	9,600		
Salaries	271,100		
Travel	500	363,600	

C. BOOKMOBILE

Materials & Supplies	35,700		
Salaries	102,600		
Travel	15,000	153,300	

D. MEDIA CENTRE

Administration	10,400		
Equipment	1,600		
Materials & Supplies	49,000		
Salaries	143,600		
Travel	700	205,300	

E. PLANNING LIBRARY

Materials & Supplies	12,000		
Salaries	28,800	40,800	

F. BRANCH LIBRARIES

Materials & Supplies	61,000		
Salaries	288,800		
Travel	6,800		
Branch Libraries - Grant	5,400	362,000	

G. PUBLIC ARCHIVES

Administration	1,000		
Equipment	2,200		
Materials & Supplies	19,200		
Salaries	104,800		
Travel	2,100	129,300	1,603,000

I. GENERAL EDUCATION (Cont'd)

5. PROGRAM DEVELOPMENT & IMPLEMENTATION

Administration		1,500	
Materials & Supplies		75,400	
Professional Services		54,000	
Salaries		468,100	
Travel		19,100	618,100

6. EDUCATIONAL SERVICES

A. SPECIAL EDUCATION

Administration	2,600		
Materials & Supplies	2,600		
Salaries	436,600		
Travel	8,400		
Resource Centres	830,200		
Transportation & Lodging	93,600		
Learning Difficulties	18,700	1,392,700	

B. MINORITY & SECOND LANGUAGE

Materials & Supplies	382,900		
Professional Services	4,600		
Salaries	126,500		
Travel	11,900		
Minority & Second Language Grants	1,042,200	1,568,100	

C. TESTING & EVALUATION

Materials & Supplies	15,200		
Professional Services	16,800		
Salaries	49,700		
Travel	3,200	84,900	

D. MEDIA SERVICES

Equipment	38,700		
Materials & Supplies	18,400		
Salaries	37,200		
Travel	4,100		
Regional Co-operation Education - Choices	8,300		
Regional Co-operation Education - Committees	8,300	115,000	3,160,700

TOTAL GENERAL EDUCATION 7,402,300

II.	ELEMENTARY & SECONDARY EDUCATION			
	GRANTS TO REGIONAL SCHOOL UNITS			
	Debt		6,367,100	
	Salaries		66,449,400	
	Operating Costs - School Units		10,880,500	
	Assistance for Small Schools		337,500	
	Special Program for Children with Behavioral Difficulties		104,300	
	Educational Services - Staffing		563,400	84,702,200
III.	POST SECONDARY EDUCATION			
	1. MARITIME PROVINCES HIGHER EDUCATION COMMISSION		22,342,600	
	2. STUDENT AID			
	Bursaries	2,260,000		
	L.B. Pearson College on the Pacific	8,900		
			2,268,900	
	3. OPERATING COST - ATLANTIC VETERINARY COLLEGE		3,285,900	27,897,400
IV.	VOCATIONAL PROGRAMMING			
	HIGH SCHOOL - HOLLAND COLLEGE			3,866,900
	TOTAL EDUCATION			123,868,800

TOURISM AND PARKS

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 724,800	$ 689,000	ADMINISTRATION	$ 324,200
		TOURISM DEVELOPMENT	
465,900	382,400	Branch Management	453,700
625,700	632,300	Visitor Services	655,600
65,000	65,000	Visitor Services - Upgrading	-
18,700	5,600	Planning & Evaluation	10,000
128,800	78,600	Visitor Counts & Surveys	145,000
78,600	35,900	Market Segment Research	90,000
12,700	11,000	Pre and Post Testing	20,000
54,200	58,000	Extension	57,000
42,600	42,700	Festivals and Events	45,500
121,300	121,300	On-Island Incentive Advertising	243,000
1,613,500	1,432,800		1,719,800
		TOURISM MARKETING	
360,200	355,300	Branch Management	415,000
113,900	90,000	Conventions	122,000
27,900	12,700	Sales Development	27,900
551,000	551,400	Targeted Marketing	642,500
44,400	53,900	Tour Development	66,000
860,700	856,500	Advertising & Communications	961,700
104,800	84,900	Travel Influencer	115,500
175,500	170,600	Special Shoulder Season Marketing Initiative	330,800
2,238,400	2,175,300		2,681,400
		PARKS	
308,500	308,100	Branch Management	365,300
910,300	931,100	Parks - East	928,300
886,800	914,000	Parks - West	979,900
140,700	141,500	Brookvale	145,000
2,246,300	2,294,700		2,418,500
6,823,000	6,591,800	TOTAL TOURISM AND PARKS	7,143,900

TOURISM AND PARKS

I. ADMINISTRATION

1. DEPARTMENTAL MANAGEMENT

Administration		42,600	
Equipment		500	
Materials & Supplies		3,800	
Professional Services		300	
Salaries		198,900	
Travel		25,200	
Incentive Grants		52,900	324,200

II. TOURISM DEVELOPMENT

1. BRANCH MANAGEMENT

Administration	1,400	
Equipment	500	
Materials & Supplies	500	
Professional Services	500	
Salaries	444,800	
Travel	6,000	453,700

2. VISITOR SERVICES

Administration	170,700	
Equipment	3,000	
Materials & Supplies	29,400	
Professional Services	2,500	
Salaries	442,300	
Travel	7,700	655,600

3. PLANNING & EVALUATION

Administration	500	
Equipment	1,800	
Materials & Supplies	800	
Professional Services	4,800	
Travel	2,100	10,000

4. VISITOR COUNTS & SURVEYS

Administration	4,200	
Equipment	4,500	
Materials & Supplies	1,800	
Professional Services	69,300	
Salaries	60,700	
Travel	4,500	145,000

II.	TOURISM DEVELOPMENT (Cont'd)		
	5. MARKET SEGMENT RESEARCH		
	Administration	200	
	Materials & Supplies	1,200	
	Professional Services	86,400	
	Travel	2,200	90,000
	6. PRE & POST TESTING		
	Administration	200	
	Materials & Supplies	200	
	Professional Services	15,600	
	Travel	4,000	20,000
	7. EXTENSION		
	Administration	2,300	
	Materials & Supplies	1,200	
	Professional Services	1,000	
	Salaries	25,100	
	Travel	27,400	57,000
	8. FESTIVALS & EVENTS		
	Incentive Grants		45,500
	9. ON-ISLAND INCENTIVE ADVERTISING		
	Incentive Grants		243,000 1,719,800
III.	TOURISM MARKETING		
	1. BRANCH MANAGEMENT		
	Administration	1,500	
	Equipment	2,000	
	Materials & Supplies	600	
	Professional Services	500	
	Salaries	366,400	
	Travel	4,000	
	Incentive Grants	40,000	415,000
	2. CONVENTIONS		
	Salaries	25,400	
	Incentive Grants	96,600	122,000

III. TOURISM MARKETING (Cont'd)

3. SALES DEVELOPMENT			
Administration	9,300		
Materials & Supplies	4,200		
Professional Services	4,900		
Travel	9,500	27,900	
4. TARGETED MARKETING			
Administration	36,800		
Materials & Supplies	391,200		
Professional Services	151,000		
Salaries	22,700		
Travel	40,800	642,500	
5. TOUR DEVELOPMENT			
Administration	7,800		
Materials & Supplies	11,400		
Professional Services	2,000		
Salaries	14,800		
Travel	10,000		
Incentive Grants	20,000	66,000	
6. ADVERTISING & COMMUNICATIONS			
Administration	1,200		
Equipment	700		
Materials & Supplies	3,500		
Publications	360,000		
Advertising	510,000		
Professional Services	83,200		
Travel	3,100	961,700	
7. TRAVEL INFLUENCER			
Administration	25,500		
Materials & Supplies	30,000		
Professional Services	29,600		
Salaries	8,200		
Travel	22,200	115,500	
8. SPECIAL SHOULDER SEASON MARKETING INITIATIVE			
Administration	1,600		
Materials & Supplies	248,800		
Professional Services	6,300		
Salaries	18,500		
Travel	3,000		
Incentive Grants	52,600	330,800	2,681,400

IV. PARKS

1. BRANCH MANAGEMENT

Administration	1,600		
Equipment	700		
Materials & Supplies	50,100		
Professional Services	15,800		
Salaries	282,500		
Travel	14,600	365,300	

2. PARKS - EAST

Administration	14,900		
Equipment	32,300		
Materials & Supplies	135,700		
Professional Services	21,700		
Salaries	702,900		
Travel	20,800	928,300	

3. PARKS - WEST

Administration	22,500		
Equipment	31,200		
Materials & Supplies	147,100		
Professional Services	16,800		
Salaries	739,400		
Travel	22,900	979,900	

4. BROOKVALE

Administration	1,800		
Equipment	3,800		
Materials & Supplies	30,400		
Professional Services	200		
Salaries	108,000		
Travel	800	145,000	2,418,500

TOTAL TOURISM AND PARKS	7,143,900

EXECUTIVE COUNCIL

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 442,700	$ 433,800	Premier's Office	$ 390,500
537,500	531,600	Executive Council Office	589,500
563,300	570,100	Policy Board Office	538,600
130,000	267,500	Planning & Research Fund	281,200
55,700	60,700	Constitutional Review/Native Council	57,700
1,729,200	1,863,700	TOTAL EXECUTIVE COUNCIL	1,857,500

EXECUTIVE COUNCIL

1.	**PREMIER'S OFFICE**		
	Administration	34,800	
	Materials & Supplies	13,400	
	Salaries	319,500	
	Travel	22,800	390,500
2.	**EXECUTIVE COUNCIL OFFICE**		
	Administration	5,400	
	Materials & Supplies	6,100	
	Salaries	562,500	
	Travel	8,100	
	Canadian Intergovernmental Conference Secretariat	7,400	589,500
3.	**POLICY BOARD OFFICE**		
	Administration	22,600	
	Materials & Supplies	4,800	
	Salaries	461,700	
	Travel	49,500	538,600
4.	**PLANNING & RESEARCH FUND**		281,200
5.	**CONSTITUTIONAL REVIEW/NATIVE COUNCIL**		
	Travel	3,600	
	Grants	54,100	57,700
	TOTAL EXECUTIVE COUNCIL		1,857,500

FINANCE

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 63,300	$ 168,600	Administration	$ 195,300
207,600	214,300	Economics, Statistics & Fiscal Analysis	234,100
1,219,700	1,389,900	Revenue	1,528,700
835,000	844,100	Accounting Services	879,000
159,000	161,500	Purchasing	167,200
1,277,900	1,288,800	Land Valuation & Assessment	1,347,400
2,119,400	2,125,800	Computer Services	2,264,900
5,981,900	6,193,000	TOTAL DEPARTMENT OF FINANCE	6,616,600
944,200	945,000	P.E.I. LENDING AUTHORITY	946,400
6,926,100	7,138,000	TOTAL FINANCE	7,563,000

FINANCE

1. ADMINISTRATION			
Administration		14,000	
Equipment		1,000	
Materials & Supplies		4,000	
Professional Services		44,000	
Salaries		118,400	
Travel		13,900	195,300
2. ECONOMICS, STATISTICS & FISCAL ANALYSIS			
Administration		6,400	
Equipment		4,800	
Materials & Supplies		4,100	
Professional Services		2,800	
Salaries		197,900	
Travel		18,100	234,100
3. REVENUE			
A. ADMINISTRATION & COLLECTION			
Administration	36,100		
Provision for Bad Debts	179,000		
Equipment	13,600		
Materials & Supplies	35,700		
Professional Services	14,900		
Salaries	486,000		
Travel	15,500	780,800	
B. AUDIT & INSPECTION			
Administration	2,300		
Equipment	7,500		
Materials & Supplies	42,200		
Salaries	628,600		
Travel	67,300	747,900	1,528,700
4. ACCOUNTING SERVICES			
Administration		21,500	
Equipment		1,500	
Materials & Supplies		26,600	
Salaries		819,000	
Travel		10,400	879,000

5. PURCHASING			
Administration		5,600	
Equipment		1,000	
Materials & Supplies		16,000	
Salaries		143,200	
Travel		1,400	167,200
6. LAND VALUATION & ASSESSMENT			
Administration		30,300	
Equipment		4,000	
Materials & Supplies		30,000	
Professional Services		3,000	
Salaries		1,235,400	
Travel		44,700	1,347,400
7. COMPUTER SERVICES			
A. ADMINISTRATION			
Administration	19,300		
Materials & Supplies	800		
Salaries	103,000		
Travel	1,400	124,500	
B. DEVELOPMENT			
Equipment	800		
Salaries	434,000		
Travel	1,100	435,900	
C. OPERATIONS			
Administration	67,900		
Equipment	3,000		
Materials & Supplies	906,700		
Salaries	378,400		
Travel	3,400	1,359,400	
D. DATA ENTRY			
Materials & Supplies	42,300		
Salaries	127,700	170,000	
E. CLIENT SUPPORT SERVICES			
Equipment	3,200		
Materials & Supplies	2,000		
Salaries	169,000		
Travel	900	175,100	2,264,900
TOTAL FINANCE			6,616,600

P.E.I. LENDING AUTHORITY

1.	ADMINISTRATION		
	Administration	126,600	
	Equipment	1,000	
	Materials & Supplies	12,800	
	Professional Services	14,900	
	Salaries	637,100	
	Travel	29,000	821,400
2.	PROVISION FOR FUTURE LOSSES		125,000
	TOTAL P.E.I. LENDING AUTHORITY		946,400

INDUSTRY

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		DEPARTMENTAL MANAGEMENT	
$ 421,600	$ 399,600	Administration	$ 453,400
160,100	142,200	Policy & Planning	103,200
581,700	541,800		556,600
		SMALL BUSINESS DEVELOPMENT	
90,700	71,800	Administration	94,900
1,856,500	1,546,800	Small Business Program	3,032,500
252,300	260,000	Small Business Development Service	267,500
2,199,500	1,878,600		3,394,900
		COMMUNITY ECONOMIC DEVELOPMENT	
400,100	404,800	Central Administration	386,400
177,100	141,800	East Prince Regional Services Centre	162,100
148,000	164,400	Eastern Kings Regional Services Centre	179,600
188,100	206,700	West Prince Regional Services Centre	222,400
196,200	170,500	Southern Kings & Queens Regional Services Centre	189,200
66,000	59,500	Evangeline Regional Services Centre	69,400
60,000	56,800	Rural Business Centre Program	-
10,700	10,700	Acadian Communities Advisory Committee	11,000
200,000	3,400	Community Economic Development Fund	52,500
1,446,200	1,218,600		1,272,600

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		HUMAN RESOURCES DEVELOPMENT	
$ 79,600	$ 98,800	Administration	$ 126,600
343,900	388,800	Employment Development	1,391,400
4,480,000	4,050,000	Adult & Continuing Education	3,518,200
80,500	80,000	Research & Analytical Services	87,100
271,000	262,600	Apprenticeship	248,000
5,255,000	4,880,200		5,371,300
9,482,400	8,519,200	TOTAL DEPARTMENT OF INDUSTRY	10,595,400
7,890,300	8,657,000	P.E.I. DEVELOPMENT AGENCY	9,205,800
764,000	1,512,000	GEORGETOWN SHIPYARD	–
18,136,700	18,688,200	TOTAL INDUSTRY	19,801,200

INDUSTRY

I. DEPARTMENTAL MANAGEMENT			
1. ADMINISTRATION			
Administration	36,800		
Equipment	8,700		
Materials & Supplies	3,900		
Salaries	323,500		
Travel	25,500		
Grant-Office of Research & Devel.	55,000	453,400	
2. POLICY & PLANNING			
Administration	400		
Materials & Supplies	500		
Salaries	96,700		
Travel	5,600	103,200	556,600
II. SMALL BUSINESS DEVELOPMENT			
1. ADMINISTRATION			
Administration	3,200		
Materials & Supplies	5,600		
Salaries	82,800		
Travel	3,300	94,900	
2. SMALL BUSINESS PROGRAMS			
A. ADMINISTRATION			
Administration	1,800		
Materials & Supplies	5,700		
Salaries	132,900		
Travel	7,700	148,100	
B. PROGRAM SUPPORT			
Materials & Supplies	22,000		
Professional Services	65,400	87,400	
C. INDUSTRIAL RESEARCH		72,800	
D. INDUSTRIAL SERVICES		20,800	
E. POWER CONVERSION		49,200	
F. SMALL BUSINESS INCENTIVES		550,000	

II.	SMALL BUSINESS DEVELOPMENT (Cont'd)			
	2. SMALL BUSINESS PROGRAMS (Cont'd)			
	G. INDUSTRIAL SUPPORT		1,279,200	
	H. P.E.I. GRADUATES IN BUSINESS		75,000	
	I. INDUSTRIAL INFRASTRUCTURE SUPPORT		750,000	
	TOTAL SMALL BUSINESS PROGRAMS		3,032,500	
	3. SMALL BUSINESS DEVELOPMENT SERVICE			
	Professional Services	32,100		
	Salaries	221,900		
	Travel	13,500	267,500	3,394,900
III.	COMMUNITY ECONOMIC DEVELOPMENT			
	1. CENTRAL ADMINISTRATION			
	Administration	500		
	Materials & Supplies	600		
	Professional Services	10,000		
	Salaries	152,100		
	Travel	8,200		
	Grants - Area Industrial Commissions	215,000	386,400	
	2. EAST PRINCE REGIONAL SERVICES CENTRE			
	Administration	43,900		
	Materials & Supplies	12,000		
	Salaries	102,800		
	Travel	3,400	162,100	
	3. EASTERN KINGS REGIONAL SERVICES CENTRE			
	Administration	54,300		
	Materials & Supplies	14,100		
	Salaries	107,600		
	Travel	1,800		
	Community Advisory Board	1,800	179,600	
	4. WEST PRINCE REGIONAL SERVICES CENTRE			
	Administration	77,900		
	Materials & Supplies	20,200		
	Salaries	118,400		
	Travel	3,200		
	Community Advisory Board	2,700	222,400	

III.	COMMUNITY ECONOMIC DEVELOPMENT (Cont'd)			
	5. SOUTHERN KINGS & QUEENS REGIONAL SERVICES CENTRE			
	Administration	52,900		
	Materials & Supplies	13,000		
	Salaries	115,800		
	Travel	5,700		
	Community Advisory Board	1,800	189,200	
	6. EVANGELINE REGIONAL SERVICES CENTRE			
	Administration	5,300		
	Materials & Supplies	2,000		
	Salaries	59,500		
	Travel	1,800		
	Community Advisory Board	800	69,400	
	7. ACADIAN COMMUNITIES ADVISORY COMMITTEE		11,000	
	8. COMMUNITY ECONOMIC DEVELOPMENT FUND		52,500	1,272,600
IV.	HUMAN RESOURCES DEVELOPMENT			
	1. ADMINISTRATION			
	Administration	1,000		
	Materials & Supplies	700		
	Salaries	115,100		
	Travel	9,800	126,600	
	2. EMPLOYMENT DEVELOPMENT			
	A. ADMINISTRATION			
	Administration	1,400		
	Equipment	7,000		
	Materials & Supplies	12,000		
	Salaries	57,500		
	Travel	3,500	81,400	
	B. JOBS FOR YOUTH		910,000	
	C. WORK OPPORTUNITIES FUND		400,000	
	TOTAL EMPLOYMENT DEVELOPMENT		1,391,400	

IV. HUMAN RESOURCES DEVELOPMENT (Cont'd)

3. ADULT & CONTINUING EDUCATION

Administration	2,600		
Materials & Supplies	2,300		
Salaries	101,200		
Travel	7,700		
Grants - Manpower Training	3,264,000		
- Adult Night Classes	110,400		
- Capital Equipment	30,000	3,518,200	

4. RESEARCH & ANALYTICAL SERVICES

Administration	1,700		
Materials & Supplies	1,000		
Salaries	81,900		
Travel	2,500	87,100	

5. APPRENTICESHIP

Administration	4,200		
Materials & Supplies	3,700		
Salaries	225,200		
Travel	13,200		
Apprenticeship Training Allowance	1,700	248,000	5,371,300

TOTAL DEPARTMENT OF INDUSTRY 10,595,400

P.E.I. DEVELOPMENT AGENCY

1.	ADMINISTRATION		
	Administration	116,600	
	Equipment	6,000	
	Materials & Supplies	123,700	
	Professional Services	230,600	
	Salaries	1,332,800	
	Travel	115,000	1,924,700
2.	PROSPECTING ASSISTANCE		100,000
3.	DEVELOPMENT ASSISTANCE		2,746,900
4.	INTEREST & PROPERTY OPERATIONS		841,400
5.	PROVISION FOR FUTURE LOSSES		720,000
6.	COMMUNITY ECONOMIC DEVELOPMENT FUND		400,000
7.	MARKETING ASSISTANCE		1,150,000
8.	HANDCRAFT AND CULTURAL ASSISTANCE		174,600
9.	P.E.I. MANUFACTURING TECHNICAL SUPPORT INITIATIVE		117,000
10.	EXPORT DEVELOPMENT INITIATIVE		150,000
11.	MEAT PROCESSING INDUSTRY ASSISTANCE		881,200
	TOTAL P.E.I. DEVELOPMENT AGENCY		9,205,800

HEALTH & SOCIAL SERVICES

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		HEALTH & SOCIAL SERVICES - GENERAL	
$ 1,353,500	$ 1,308,800	Departmental Management	$ 1,457,400
1,816,700	1,906,400	Pharmacy	2,977,600
119,300	84,500	Oncology	114,500
1,771,700	1,581,700	Dental	2,058,900
1,067,200	1,014,600	Mental Health	1,075,200
1,266,700	1,282,700	Nursing	1,323,800
238,400	241,600	Community Hygiene	297,300
1,908,000	1,937,800	Home Care Support	1,992,800
4,277,500	4,372,500	Community Rehabiliation Services	4,906,600
1,000,000	880,000	Job Creation & Placement	2,000,000
30,977,000	31,821,400	Child & Family Services	34,114,600
25,828,800	26,477,500	Aging & Extended Care	28,514,700
71,624,800	72,909,500		80,633,400
2,924,200	2,938,300	ADDICTION SERVICES	3,126,800
74,549,000	75,847,800	TOTAL DEPARTMENT OF HEALTH & SOCIAL SERVICES	83,960,200
88,970,800	92,471,400	HOSPITAL AND HEALTH SERVICES COMMISSION	96,342,600
163,519,800	168,319,200	TOTAL HEALTH & SOCIAL SERVICES	180,302,800

HEALTH & SOCIAL SERVICES

I. HEALTH & SOCIAL SERVICES - GENERAL

1. DEPARTMENTAL MANAGEMENT DIVISION

A. MINISTER & DEPUTY MINISTER'S OFFICE

Administration	14,200		
Professional Services	3,400		
Salaries	231,200		
Travel	18,900	267,700	

B. MANAGEMENT SERVICES

Administration	130,500		
Equipment	28,800		
Materials & Supplies	40,000		
Professional Services	2,600		
Salaries	550,800		
Travel	6,800		
Grants	110,500	870,000	

C. VITAL STATISTICS

Equipment	4,500		
Materials & Supplies	5,500		
Salaries	130,200		
Travel	1,000	141,200	

D. POLICY AND PLANNING UNIT

Salaries	162,200		
Travel	1,200	163,400	

E. WELFARE APPEAL BOARD

13,000

F. LAB COUNCIL

2,100 | 1,457,400

2. PHARMACY DIVISION

Equipment		5,000	
Materials & Supplies		1,256,900	
Professional Services		92,900	
Salaries		368,800	
Travel		4,000	
Pharmacare		1,250,000	2,977,600

3. ONCOLOGY			
Administration		800	
Materials & Supplies		1,400	
Professional Services		21,100	
Salaries		87,700	
Travel		3,500	114,500
4. DENTAL DIVISION			
Administration		10,900	
Equipment		3,100	
Materials & Supplies		113,200	
Professional Services		927,900	
Salaries		978,500	
Travel		25,300	2,058,900
5. MENTAL HEALTH DIVISION			
A. DIVISION MANAGEMENT			
Administration	1,300		
Materials & Supplies	900		
Salaries	84,700		
Travel	6,000	92,900	
B. MCGILL DAY TREATMENT			
Materials & Supplies	2,600		
Professional Services	8,300		
Salaries	112,600		
Travel	900	124,400	
C. CHARLOTTETOWN MENTAL HEALTH TEAM			
Administration	6,400		
Materials & Supplies	3,000		
Professional Services	34,700		
Salaries	360,900		
Travel	4,000	409,000	
D. SUMMERSIDE MENTAL HEALTH TEAM			
Administration	300		
Materials & Supplies	3,000		
Salaries	276,500		
Travel	7,100	286,900	
E. MONTAGUE MENTAL HEALTH TEAM			
Administration	4,400		
Materials & Supplies	2,000		
Salaries	150,700		
Travel	4,900	162,000	1,075,200

6. NURSING DIVISION			
A. DIVISION MANAGEMENT			
Materials & Supplies	2,700		
Professional Services	1,000		
Salaries	177,800		
Travel	2,300	183,800	
B. DIABETES EDUCATION			
Administration	3,500		
Equipment	1,000		
Materials & Supplies	2,400		
Salaries	96,000		
Travel	2,700	105,600	
C. PRINCE COUNTY			
Administration	18,400		
Equipment	5,200		
Materials & Supplies	5,400		
Salaries	395,300		
Travel	18,700	443,000	
D. QUEENS COUNTY			
Administration	2,500		
Equipment	2,600		
Materials & Supplies	4,000		
Salaries	372,100		
Travel	20,800	402,000	
E. KINGS COUNTY			
Administration	5,500		
Materials & Supplies	2,400		
Salaries	170,500		
Travel	11,000	189,400	1,323,800
7. COMMUNITY HYGIENE DIVISION			
Administration		1,500	
Equipment		1,500	
Materials & Supplies		7,600	
Professional Services		28,000	
Salaries		221,700	
Travel		37,000	297,300

8. HOME CARE AND SUPPORT

A. DIVISION MANAGEMENT

Administration	1,000		
Equipment	5,000		
Materials & Supplies	11,400		
Professional Services	800		
Salaries	136,500		
Travel	10,800	165,500	

B. REGION 1 - O'LEARY

Administration	4,800		
Materials & Supplies	600		
Professional Services	1,100		
Salaries	259,000		
Travel	37,900	303,400	

C. REGION 2 - SUMMERSIDE

Administration	3,500		
Materials & Supplies	1,000		
Professional Services	1,000		
Salaries	398,000		
Travel	43,100	446,600	

D. REGION 3 - CHARLOTTETOWN

Administration	1,900		
Materials & Supplies	900		
Professional Services	3,000		
Salaries	532,800		
Travel	57,900	596,500	

E. REGION 4 - MONTAGUE

Materials & Supplies	700		
Professional Services	800		
Salaries	234,100		
Travel	42,400	278,000	

F. REGION 5 - SOURIS

Administration	5,800		
Materials & Supplies	600		
Professional Services	1,500		
Salaries	160,300		
Travel	34,600	202,800	1,992,800

9. COMMUNITY REHABILITATION SERVICES

A. DIVISION MANAGEMENT

Equipment	6,900	
Materials & Supplies	40,600	
Professional Services	21,500	
Salaries	573,600	
Travel	27,800	
Maintenance Grants for Licensed Child Care Programs	185,000	
Canadian National Institute for the Blind	41,500	
P.E.I. Council of the Disabled	45,000	
Rehabilitation Training	133,100	
Family Support Program	20,000	
Early Childhood Development Association	3,800	
Canadian Association for the Mentally Retarded	28,600	
Canadian Paraplegic Association	15,300	1,142,700

B. VOCATIONAL SERVICES

Sheltered Workshops	1,341,800	
New Directions	153,900	1,495,700

C. SHERWOOD HOME

Administration	4,900	
Equipment	5,900	
Materials & Supplies	52,100	
Professional Services	6,600	
Salaries	539,900	
Travel	4,900	614,300

D. PROVIDING RURAL OUTREACH VOCATIONAL EXPERIENCES (PROVE)

Administration	2,500	
Materials & Supplies	5,500	
Professional Services	4,000	
Salaries	104,300	
Travel	20,000	136,300

E. SUMMERSIDE GROUP HOMES ASSN. 74,900

F. SOUTHERN KINGS GROUP HOMES 71,200

F. SOURIS GROUP HOMES ASSN. 77,100

H. HOME BASE INC. 98,800

I. WEST PRINCE RESIDENTIAL SERVICES 137,400

9. COMMUNITY REHABILITATION SERVICES (Cont'd)

J. ADULT GROUP HOME 1 - FORTUNE

Administration	12,500	
Materials & Supplies	22,900	
Salaries	107,400	
Travel	800	143,600

K. QUEENS COUNTY RESIDENTIAL SERVICES MANAGEMENT SUPPORT

Administration	3,900	
Equipment	1,000	
Materials & Supplies	9,100	
Salaries	149,400	
Travel	1,700	165,100

L. ADULT GROUP HOME A - MARJORIE CRESCENT

Administration	9,800	
Equipment	1,000	
Materials & Supplies	23,800	
Salaries	159,900	
Travel	900	195,400

M. ADULT GROUP HOME B - HEMLOCK COURT

Administration	11,500	
Equipment	1,000	
Materials & Supplies	22,500	
Salaries	134,500	
Travel	800	170,300

N. ADULT GROUP HOME C - INKERMAN BLVD.

Administration	9,300	
Equipment	1,000	
Materials & Supplies	23,100	
Salaries	46,100	
Travel	700	80,200

O. ADULT GROUP HOME D - WOODWARD DRIVE

Administration	13,500	
Equipment	1,000	
Materials & Supplies	21,200	
Salaries	45,600	
Travel	1,900	83,200

9.	COMMUNITY REHABILITATION SERVICES (Cont'd)		
	P. ADULT GROUP HOME E - ST. PETERS ROAD		
	Administration	7,300	
	Equipment	1,000	
	Materials & Supplies	24,200	
	Salaries	48,300	
	Travel	800	81,600
	Q. ADULT GROUP HOME K - UPPER PRINCE STREET		
	Administration	12,500	
	Equipment	500	
	Materials & Supplies	24,700	
	Salaries	100,200	
	Travel	900	138,800 4,906,600
10.	JOB CREATION AND PLACEMENT		
	Job Creation Program		1,500,000
	Employment Enhancement Diversion Fund		500,000 2,000,000
11.	CHILD & FAMILY SERVICES		
	A. DIVISION MANAGEMENT		
	Administration	6,900	
	Materials & Supplies	6,700	
	Professional Services	30,200	
	Salaries	439,700	
	Travel	7,800	
	Drugs	421,000	
	Foster Parents Association	12,000	
	Special Residential Services	356,000	
	Special Program for Children With Behavioral Difficulties	141,000	
	P.E.I. Rape & Sexual Assault Crisis Centre	31,700	
	Transition House Association	189,000	
	Adult Respite Care	75,000	
	St. Gerard's Home	50,000	1,767,000

11. CHILD & FAMILY SERVICES (Cont'd)

B. REGION 1 - O'LEARY

Materials & Supplies	300	
Professional Services	28,600	
Salaries	565,000	
Travel	59,500	
Medical, Dental, Optical	86,000	
Special Needs	57,600	
Funerals	8,200	
Cash & Material Benefits	2,071,000	
Medical, Dental, Optical (Children)	4,400	
Maintenance of Children	118,900	
Day Care	67,300	
Housing Rehabilitation	6,500	
Rehabilitation of Disabled Persons	21,900	
Family Support Program	68,800	3,164,000

C. REGION 2 - SUMMERSIDE

Administration	23,000	
Materials & Supplies	9,000	
Professional Services	26,000	
Salaries	1,042,800	
Travel	61,900	
Medical, Dental, Optical	56,600	
Special Needs	88,600	
Funerals	5,600	
Cash & Material Benefits	3,283,000	
Medical, Dental, Optical (Children)	14,100	
Maintenance of Children	140,000	
Day Care	71,800	
Housing Rehabilitation	2,100	
Rehabilitation of Disabled Persons	16,800	
Family Support Program	23,800	4,865,100

D. REGION 3 - CHARLOTTETOWN

Administration	33,000	
Materials & Supplies	600	
Professional Services	183,100	
Salaries	2,506,200	
Travel	106,500	
Medical, Dental, Optical	233,100	
Special Needs	322,700	
Funerals	38,500	
Cash & Material Benefits	14,354,000	
Medical, Dental, Optical (Children)	9,000	
Maintenance of Children	536,900	
Day Care	416,600	
Housing Rehabilitation	25,800	
Rehabilitation of Disabled Persons	19,700	
Family Support Program	123,200	18,908,900

11. CHILD & FAMILY SERVICES (Cont'd)

E. REGION 4 - MONTAGUE

Materials & Supplies	200	
Professional Services	23,200	
Salaries	651,100	
Travel	42,700	
Medical, Dental, Optical	59,800	
Special Needs	48,900	
Funerals	11,100	
Cash & Material Benefits	1,731,000	
Medical, Dental, Optical (Children)	2,600	
Maintenance of Children	164,200	
Day Care	136,200	
Housing Rehabilitation	8,500	
Rehabilitation of Disabled Persons	10,000	
Family Support Program	19,700	2,909,200

F. REGION 5 - SOURIS

Materials & Supplies	200	
Professional Services	2,500	
Salaries	388,500	
Travel	39,800	
Medical, Dental, Optical	24,500	
Special Needs	32,200	
Funerals	11,600	
Cash & Material Benefits	1,061,000	
Medical, Dental, Optical (Children)	900	
Maintenance of Children	40,000	
Day Care	48,100	
Housing Rehabilitation	9,100	
Rehabilitation of Disabled Persons	8,600	
Family Support Program	17,500	1,684,500

G. CHILDREN'S GROUP HOME 1 - CHARLOTTETOWN (MAPLE ST.)

Administration	10,000	
Equipment	3,400	
Materials & Supplies	24,800	
Salaries	123,100	
Travel	2,000	163,300

H. CHILDREN'S GROUP HOME 2 - O'LEARY

Administration	9,900	
Equipment	2,300	
Materials & Supplies	23,800	
Salaries	116,200	
Travel	10,200	162,400

11. CHILD & FAMILY SERVICES (Cont'd)

I. CHILDREN'S GROUP HOME 3 - CHARLOTTETOWN (HILLSBORO ST.)

Administration	10,400		
Equipment	2,600		
Materials & Supplies	25,700		
Salaries	122,200		
Travel	6,200	167,100	

J. CHILDREN'S GROUP HOME 4 - MONTAGUE

Administration	1,500		
Equipment	4,000		
Materials & Supplies	25,300		
Salaries	121,300		
Travel	6,400	158,500	

K. CHILDREN'S GROUP HOME 5 - SUMMERSIDE

Administration	11,400		
Equipment	2,200		
Materials & Supplies	26,700		
Salaries	117,000		
Travel	7,300	164,600	34,114,600

12. AGING AND EXTENDED CARE DIVISION

A. DIVISION MANAGEMENT

Equipment	700		
Materials & Supplies	1,000		
Professional Services	5,000		
Salaries	401,000		
Travel	15,800	423,500	

B. PRIVATE NURSING HOMES

Sacred Heart Home	1,591,100		
MacMillan Lodge	74,900		
Lennox Nursing Home	107,000		
P.E.I. Atlantic Baptist Homes Inc.	519,600		
Woods Convalescent Nursing Home	159,000		
Kensington Nursing Home	47,800		
Garden Nursing Home	755,700		
Sunset Lodge	357,800		
Emergency Beds	24,600	3,637,500	

12. AGING & EXTENDED CARE (Cont'd)

C. MAPLEWOOD MANOR - ALBERTON

Administration	18,000	
Debt	22,800	
Equipment	41,500	
Materials & Supplies	195,100	
Professional Services	17,500	
Salaries	1,110,900	
Travel	9,500	1,415,300

D. WEDGEWOOD MANOR - SUMMERSIDE

Administration	49,600	
Debt	213,600	
Equipment	2,200	
Materials & Supplies	327,400	
Professional Services	32,700	
Salaries	1,597,300	
Travel	7,600	2,230,400

E. SUMMERSET MANOR - SUMMERSIDE

Administration	42,400	
Debt	46,300	
Equipment	54,800	
Materials & Supplies	388,500	
Professional Services	23,500	
Salaries	2,401,400	
Travel	7,000	2,963,900

F. COLVILLE MANOR - SOURIS

Administration	17,700	
Debt	35,800	
Equipment	26,000	
Materials & Supplies	195,600	
Professional Services	14,400	
Salaries	1,093,100	
Travel	5,700	1,388,300

G. RIVERVIEW MANOR - MONTAGUE

Administration	17,600	
Debt	22,800	
Equipment	22,900	
Materials & Supplies	230,800	
Professional Services	14,800	
Salaries	1,096,200	
Travel	6,300	1,411,400

12. AGING AND EXTENDED CARE (Cont'd)

H. HILLSBOROUGH HOSPITAL/ RIVERSIDE HOME

Administration	35,400		
Debt	390,000		
Equipment	20,000		
Materials & Supplies	601,500		
Professional Services	298,100		
Salaries	5,804,800		
Travel	28,900	7,178,700	

I. PRINCE EDWARD HOME - CHARLOTTETOWN

Administration	10,300		
Equipment	21,200		
Materials & Supplies	227,900		
Professional Services	23,200		
Salaries	1,758,400		
Travel	4,200	2,045,200	

J. SPECIAL CARE UNIT - CHARLOTTETOWN

Administration	15,000		
Equipment	27,600		
Materials & Supplies	277,000		
Professional Services	68,000		
Salaries	2,026,300		
Travel	1,600	2,415,500	

K. BEACH GROVE HOME - CHARLOTTETOWN

Administration	12,800		
Debt	360,000		
Equipment	19,000		
Materials & Supplies	421,300		
Professional Services	30,200		
Salaries	2,549,100		
Travel	12,600	3,405,000	28,514,700

TOTAL HEALTH & SOCIAL SERVICES 80,833,400

II. ADDICTION SERVICES

1. CENTRAL ADMINISTRATION

Administration		3,500	
Materials & Supplies		5,200	
Professional Services		40,000	
Salaries		178,100	
Travel		8,600	235,400

II. ADDICTION SERVICES (Cont'd)

2. PRINCE COUNTY

A. DETOX

Administration	38,500		
Equipment	500		
Materials & Supplies	106,900		
Professional Services	9,300		
Salaries	373,600		
Travel	9,800	538,600	

B. REHABILITATION

Salaries		256,600	

C. SHORT TERM CARE

Administration	10,400		
Equipment	500		
Materials & Supplies	25,300		
Professional Services	500		
Salaries	64,500	101,200	896,400

3. KINGS COUNTY

A. DETOX

Administration	20,300		
Equipment	500		
Materials & Supplies	40,600		
Professional Services	4,600		
Salaries	378,200		
Travel	8,800	453,000	

B. REHABILITATION

Salaries		149,700	

C. SHORT TERM CARE

Administration	4,600		
Equipment	1,600		
Materials & Supplies	26,100		
Professional Services	700		
Salaries	48,200	81,200	683,900

4. QUEENS COUNTY

A. DETOX

Administration	40,800		
Equipment	500		
Materials & Supplies	152,900		
Professional Services	18,300		
Salaries	578,100		

II. ADDICTION SERVICES (Cont'd)			
4. QUEENS COUNTY (Cont'd)			
B. REHABILITATION			
Salaries		314,400	
C. SHORT TERM CARE			
Administration	12,800		
Equipment	1,600		
Materials & Supplies	41,300		
Professional Services	600		
Salaries	138,800	195,100	1,311,100
TOTAL ADDICTION SERVICES			3,126,800
TOTAL DEPARTMENT OF HEALTH & SOCIAL SERVICES			83,960,200

HOSPITAL AND HEALTH SERVICES COMMISSION

A. ADMINISTRATION		
Salaries	1,618,500	
Other	181,500	1,800,000
B. HOSPITAL SERVICES		
Capital Repairs	129,800	
Equipment Fund	300,000	
Debt Retirement	5,542,000	
Out-of-Province Referrals	8,817,000	
In-Province Hospitals	53,621,300	68,410,100
C. MEDICAL SERVICES		
Out-of-Province Physicians' Fees	1,917,000	
In-Province Physicians' Fees	20,994,500	22,911,500
D. RED CROSS PROGRAM		944,400
E. AMBULANCE PROGRAM		764,900
F. P.E.I. SCHOOL OF NURSING		1,511,700
TOTAL HOSPITAL AND HEALTH SERVICES COMMISSION		96,342,600

ENERGY & FORESTRY

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 398,000	$ 357,200	DEPARTMENTAL MANAGEMENT	$ 351,400
		ENERGY & MINERALS BRANCH	
267,500	208,500	Branch Management	494,000
363,400	203,800	ERDA Energy Sub-Agreement	325,000
9,200,000	8,055,900	Electrical Rate Relief Program	5,387,300
97,100	87,500	ERDA Mineral Development Sub-Agreement	97,700
9,928,000	8,555,700		6,304,000
		FORESTRY BRANCH	
1,219,000	1,378,300	Branch Management	1,443,400
182,900	191,400	Bunbury Nursery	198,800
144,500	144,600	Forest Fire Protection	37,300
149,400	74,900	Headquarters - Administration	163,100
229,600	179,200	Forest Extension	257,300
78,400	49,900	Woodlot Technology Transfer	81,000
276,200	177,300	Silviculture Development	321,600
129,900	50,800	Industry Development	261,500
161,500	91,600	Biomass Inventory	182,000
296,500	287,200	Seedling Production	306,300
307,800	251,000	Eastern District - Crown Land	343,600
244,800	209,800	Central District - Crown Land	244,500
298,800	272,600	Western District - Crown Land	364,200
148,700	145,500	Eastern District - Administration	158,000
153,600	145,100	Central District - Administration	157,300
141,700	135,200	Western District - Administration	194,500
37,100	16,900	Hedgerow Shelterbelt	30,000
4,200,400	3,801,300		4,744,400

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$14,526,400	$12,714,200	TOTAL DEPARTMENT OF ENERGY & FORESTRY	$11,399,800
902,200	1,024,600	P.E.I. ENERGY CORPORATION	921,100
15,428,600	13,738,800	TOTAL ENERGY & FORESTRY	12,320,900

ENERGY & FORESTRY

1.	DEPARTMENTAL MANAGEMENT			
	Administration		32,100	
	Equipment		3,400	
	Materials & Supplies		3,700	
	Professional Services		60,800	
	Salaries		228,700	
	Travel		22,700	351,400
2.	ENERGY & MINERALS BRANCH			
	A. BRANCH MANAGEMENT			
	Administration	21,100		
	Equipment	6,500		
	Materials & Supplies	12,500		
	Professional Services	100,700		
	Salaries	314,200		
	Travel	39,000	494,000	
	B. ERDA ENERGY SUB-AGREEMENT		325,000	
	C. ELECTRICAL RATE RELIEF PROGRAM		5,387,300	
	D. ERDA MINERAL DEVELOPMENT SUB-AGREEMENT			
	Equipment	1,000		
	Materials & Supplies	15,800		
	Professional Services	3,600		
	Salaries	69,900		
	Travel	7,400	97,700	6,304,000
3.	FORESTRY BRANCH			
	A. BRANCH MANAGEMENT			
	Administration	100		
	Equipment	2,600		
	Materials & Supplies	5,900		
	Professional Services	324,000		
	Salaries	1,103,600		
	Grant	7,200	1,443,400	

3. FORESTRY BRANCH (Cont'd)

B. BUNBURY NURSERY

Administration	3,200	
Equipment	400	
Materials & Supplies	62,500	
Salaries	121,200	
Travel	1,500	
Landscape Assistance Grant	10,000	198,800

C. FOREST FIRE PROTECTION

Equipment	8,100	
Materials & Supplies	8,300	
Professional Services	200	
Salaries	14,800	
Travel	5,900	37,300

D. HEADQUARTERS - ADMINISTRATION

Administration	18,900	
Equipment	50,200	
Materials & Supplies	47,600	
Professional Services	38,100	
Travel	8,300	163,100

E. FOREST EXTENSION

Administration	2,400	
Equipment	400	
Materials & Supplies	101,300	
Professional Services	15,000	
Salaries	116,200	
Travel	19,700	
Grants	2,300	257,300

F. WOODLOT TECHNOLOGY TRANSFER

Equipment	31,900	
Materials & Supplies	6,600	
Professional Services	500	
Salaries	25,800	
Travel	16,200	81,000

G. SILVICULTURE DEVELOPMENT

Administration	500	
Equipment	12,600	
Materials & Supplies	28,000	
Professional Services	58,500	
Salaries	184,200	
Travel	37,800	321,600

3. FORESTRY BRANCH (Cont'd)

H. INDUSTRY DEVELOPMENT

Administration	600	
Equipment	200	
Materials & Supplies	21,500	
Professional Services	86,700	
Salaries	105,200	
Travel	20,800	
Grants	26,500	261,500

I. BIOMASS INVENTORY

Equipment	66,000	
Materials & Supplies	5,100	
Professional Services	49,500	
Salaries	48,900	
Travel	12,500	182,000

J. SEEDLING PRODUCTION

Equipment	22,000	
Materials & Supplies	70,800	
Salaries	202,500	
Travel	11,000	306,300

K. EASTERN DISTRICT - CROWN LAND

Administration	2,500	
Equipment	9,700	
Materials & Supplies	16,600	
Professional Services	99,200	
Salaries	171,200	
Travel	44,400	343,600

L. CENTRAL DISTRICT - CROWN LAND

Administration	1,800	
Equipment	14,500	
Materials & Supplies	23,700	
Professional Services	45,000	
Salaries	112,100	
Travel	47,400	244,500

M. WESTERN DISTRICT - CROWN LAND

Administration	3,500	
Equipment	19,500	
Materials & Supplies	21,000	
Professional Services	138,500	
Salaries	140,100	
Travel	41,600	364,200

3. FORESTRY BRANCH Cont'd)

N. EASTERN DISTRICT - ADMINISTRATION

Administration	9,400		
Equipment	8,700		
Materials & Supplies	3,500		
Salaries	95,600		
Travel	40,800	158,000	

O. CENTRAL DISTRICT - ADMINISTRATION

Administration	6,500		
Equipment	6,200		
Materials & Supplies	1,900		
Salaries	120,100		
Travel	22,600	157,300	

P. WESTERN DISTRICT - ADMINISTRATION

Administration	15,900		
Equipment	6,300		
Materials & Supplies	2,100		
Professional Services	44,000		
Salaries	101,500		
Travel	24,700	194,500	

Q. HEDGEROW SHELTERBELT

Materials & Supplies	1,000		
Professional Services	10,000		
Salaries	15,000		
Travel	4,000	30,000	4,744,400
TOTAL DEPARTMENT OF ENERGY & FORESTRY			11,399,800

P.E.I. ENERGY CORPORATION

Administration	10,900	
Equipment	5,000	
Materials & Supplies	4,100	
Professional Services	150,000	
Salaries	160,900	
Travel	11,000	
Renewable Energy Initiatives	100,000	
Special Projects	200,100	
Prince Edward Home Heating System Conversion-Capital Repayment	135,700	
Projects Operating Costs	18,400	
Energy From Waste Plant	125,000	
TOTAL P.E.I. ENERGY CORPORATION		921,100

JUSTICE

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 636,400	$ 783,300	Administration	$ 843,100
4,080,000	3,986,300	Law Enforcement	4,380,000
1,151,500	1,223,100	Judicial	1,235,700
4,305,200	4,926,500	Corrections	5,552,500
121,500	126,600	Legislation	127,600
216,500	255,800	Legal Aid	265,900
226,300	282,000	Prosecutions	286,700
157,900	171,900	Registry Offices	165,200
78,100	87,600	Insurance	81,500
247,900	262,100	Corporations	304,100
63,400	96,400	Human Rights Commission	80,500
70,600	106,400	Consumer Services	110,800
11,355,300	12,308,000	TOTAL DEPARTMENT OF JUSTICE	13,433,600
2,779,100	2,622,700	P.E.I. HOUSING CORPORATION	2,508,900
14,134,400	14,930,700	TOTAL JUSTICE	15,942,500

JUSTICE

1. ADMINISTRATION			
A. GENERAL			
Administration	52,600		
Equipment	6,300		
Materials & Supplies	21,900		
Professional Services	203,900		
Salaries	342,100		
Travel	19,000		
Atlantic Police Academy	70,000		
Grants	6,300	722,100	
B. CORONERS' INQUESTS		49,300	
C. GUN CONTROL			
Equipment	800		
Materials & Supplies	400		
Salaries	70,100		
Travel	400	71,700	843,100
2. LAW ENFORCEMENT			
R.C.M.P.			4,380,000
3. JUDICIAL			
Administration		72,400	
Equipment		13,100	
Materials & Supplies		70,600	
Professional Services		48,500	
Salaries		1,016,600	
Travel		14,500	1,235,700
4. CORRECTIONS			
A. GENERAL			
Administration	500		
Materials & Supplies	300		
Professional Services	468,400		
Salaries	199,000		
Travel	2,800	671,000	

4. CORRECTIONS (Cont'd)

B. PROVINCIAL CORRECTIONAL CENTRE

Administration	16,100	
Equipment	9,000	
Materials & Supplies	284,900	
Professional Services	41,100	
Salaries	1,748,600	
Travel	11,400	2,111,100

C. PRINCE COUNTY JAIL

Administration	900	
Materials & Supplies	148,800	
Professional Services	300	
Salaries	326,000	
Travel	500	476,500

D. KINGS COUNTY JAIL

Administration	5,200	
Equipment	4,200	
Materials & Supplies	71,400	
Professional Services	4,600	
Salaries	252,000	
Travel	17,200	354,600

E. SUMMERSIDE YOUTH CENTRE

Administration	15,300	
Equipment	28,600	
Materials & Supplies	70,200	
Salaries	430,600	
Travel	26,300	571,000

F. COMMUNITY CUSTODY PROGRAM

Professional Services	90,000	
Salaries	163,100	
Travel	15,000	268,100

G. ADULT PROBATION

Administration	3,400	
Equipment	500	
Materials & Supplies	1,700	
Salaries	275,200	
Travel	7,000	287,800

4. CORRECTIONS (Cont'd)

H. YOUTH PROBATION			
Salaries	230,200		
Travel	7,000	237,200	
I. FAMILY COUNSELLING			
Salaries	88,400		
Travel	2,000	90,400	
J. CRIMINAL JUSTICE RESOURCE			
Administration	1,200		
Materials & Supplies	2,300		
Salaries	48,000		
Travel	3,300	54,800	
K. VICTIMS OF CRIME PROJECT			
Materials & Supplies	300		
Salaries	19,600		
Travel	800	20,700	
L. JUSTICE INFORMATION SYSTEM			
Equipment	10,700		
Materials & Supplies	4,100		
Professional Services	12,800		
Salaries	35,600		
Travel	500	63,700	
M. YOUTH COURT CLAIMS			
Salaries	41,600		
Travel	2,800	44,400	
N. COMMUNITY PROBATION SUPPORT			
Materials & Supplies	500		
Professional Services	15,000		
Salaries	62,700		
Travel	13,000	91,200	
O. GEORGETOWN YOUTH CENTRE			
Administration	2,500		
Equipment	49,000		
Materials & Supplies	15,400		
Salaries	133,100		
Travel	10,000	210,000	5,552,500

5. LEGISLATION			
Administration		5,200	
Equipment		600	
Materials & Supplies		6,200	
Salaries		113,300	
Travel		2,300	127,600
6. LEGAL AID			
A. CRIMINAL			
Administration	5,400		
Equipment	600		
Materials & Supplies	1,900		
Professional Services	34,500		
Salaries	154,100		
Travel	3,400	199,900	
B. FAMILY			
Administration	1,500		
Materials & Supplies	300		
Professional Services	20,800		
Salaries	41,700		
Travel	1,700	66,000	265,900
7. PROSECUTIONS			
Administration		2,900	
Equipment		500	
Materials & Supplies		2,900	
Professional Services		71,700	
Salaries		198,000	
Travel		10,700	286,700
8. REGISTRY OFFICES			
Administration		3,500	
Equipment		4,500	
Materials & Supplies		22,900	
Salaries		134,300	165,200
9. INSURANCE			
Equipment		600	
Materials & Supplies		1,500	
Salaries		77,100	
Travel		2,300	81,500

10.	CORPORATIONS		
	Equipment	600	
	Professional Services	17,700	
	Salaries	211,900	
	Travel	4,800	
	Credit Union League	49,500	
	Co-operative Union	19,600	304,100
11.	HUMAN RIGHTS COMMISSION		80,500
12.	CONSUMER SERVICES		
	Administration	2,600	
	Materials & Supplies	800	
	Salaries	104,300	
	Travel	3,100	110,800
	TOTAL JUSTICE		13,433,600

P.E.I. HOUSING CORPORATION

1.	ADMINISTRATION		
	Administration	20,000	
	Debt	124,900	
	Professional Services	27,000	
	Salaries	414,300	
	Travel	13,000	599,200
2.	SENIOR CITIZENS HOUSING		
	Administration	358,000	
	Debt	1,160,000	
	Materials & Supplies	1,831,200	
	Salaries	203,600	
	Travel	24,000	
	Revenue Offset	(2,977,100)	599,700
3.	FIELD SERVICES		
	Salaries	829,400	
	Travel	53,600	
	Rural & Native Housing	6,400	
	Co-operative Housing	1,200	
	Rural Community Housing	13,800	904,400
4.	HILLSBOROUGH DEVELOPMENT		145,600
5.	PROVINCIAL CONTRIBUTION TO SENIORS		110,000
6.	EMERGENCY HOME REPAIR FOR SENIOR CITIZENS		150,000
	TOTAL P.E.I. HOUSING CORPORATION		2,508,900

FISHERIES

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 257,600	$ 265,200	Administration	$ 343,800
663,700	693,000	Extension	641,600
409,900	402,600	Resource Utilization/Marketing	391,800
286,800	280,400	Processing & Quality	338,300
146,900	167,800	Aquaculture	346,300
769,400	690,500	Financial Services	600,200
2,534,300	2,499,500	TOTAL FISHERIES	2,662,000

FISHERIES

1. ADMINISTRATION		
Administration	35,300	
Equipment	2,000	
Materials & Supplies	4,500	
Professional Services	46,900	
Salaries	226,700	
Travel	28,400	343,800
2. EXTENSION		
Administration	1,000	
Materials & Supplies	163,800	
Professional Services	33,100	
Salaries	95,100	
Travel	20,100	
Fishermen's Quality Enhancement	265,000	
P.E.I. Fishermen's Association	30,000	
P.E.I. Seafood Processors	9,900	
Travel Grant for Fishermen	5,600	
Baitshed Program	18,000	641,600
3. RESOURCE UTILIZATION/MARKETING		
Materials & Supplies	50,800	
Professional Services	5,200	
Salaries	185,400	
Travel	25,400	
Fresh Fish Market Assistance	45,000	
Product Utilization	80,000	391,800
4. PROCESSING & QUALITY		
Equipment	2,000	
Materials & Supplies	32,400	
Professional Services	47,600	
Salaries	89,300	
Travel	17,000	
Processors Fish Quality Development Program	150,000	338,300

5. AQUACULTURE		
Equipment	1,500	
Materials & Supplies	6,500	
Salaries	107,200	
Travel	14,800	
Malpeque Oyster Cultures Inc.	1,300	
Aquaculture Incentive Grant	15,000	
Shellfish Enhancement Program	200,000	346,300
6. FINANCIAL SERVICES		
Administration	1,000	
Salaries	48,600	
Travel	4,100	
Commercial Fishermen's Investment Incentive	199,000	
Nearshore Vessel Program	175,000	
Diesel Engine Conversion Program	62,500	
Fishermen's Capital Investment Fund	60,000	
Seaweed Market Stabilization	50,000	600,200
TOTAL FISHERIES		2,662,000

LEGISLATIVE ASSEMBLY

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 478,600	$ 520,900	Legislative Services	$ 489,100
941,900	957,000	Members	1,047,700
626,000	571,500	Elections	14,200
175,500	172,600	Election Expenses	91,100
2,222,000	2,222,000	TOTAL LEGISLATIVE ASSEMBLY	1,642,100

LEGISLATIVE ASSEMBLY

1.	LEGISLATIVE SERVICES		
	Administration	61,300	
	Materials & Supplies	11,900	
	Professional Services	12,000	
	Salaries	275,100	
	Travel	12,800	
	Commonwealth Parliamentary Association	10,000	
	Government Members Office	43,000	
	Opposition Members Office	63,000	489,100
2.	MEMBERS		1,047,700
3.	ELECTIONS		14,200
4.	ELECTION EXPENSES		91,100
	TOTAL LEGISLATIVE ASSEMBLY		1,642,100

TRANSPORTATION & PUBLIC WORKS

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 605,700	$ 588,000	GENERAL ADMINISTRATION	$ 552,500
		HIGHWAY MAINTENANCE BRANCH	
1,026,500	1,109,800	Maintenance Administration	1,080,600
6,019,800	5,820,300	Pavement Maintenance	6,244,100
1,087,000	1,218,800	Maintenance of Roads	1,139,100
729,300	772,000	Roadside Maintenance & Grooming	760,000
4,661,900	5,036,900	Snow Control	4,856,500
3,057,000	3,091,400	Sanding and Salting	3,117,800
16,581,500	17,049,200		17,198,100
6,034,300	7,382,200	MECHANICAL BRANCH - GARAGE OPERATIONS	6,791,500
1,863,200	1,861,600	TRAFFIC	1,850,300
284,000	319,600	BRIDGE MAINTENANCE	267,900
		BUILDINGS BRANCH	
77,600	80,000	Buildings Administration	81,700
672,100	673,600	Insurance	674,100
78,800	79,600	Energy Conservation Pilot Project	87,900
279,900	283,000	Construction Administration	252,200
635,000	639,300	Maintenance Indirect	786,800
2,444,100	2,253,100	Direct Buildings Maintenance - Shaw, Jones & Sullivan Bldgs.	2,525,100
4,625,200	4,293,600	Direct Buildings Maintenance - Other Buildings	4,534,400
2,152,600	2,152,800	Accommodations	2,206,000
668,300	674,600	Properties & Surveys	704,300
97,300	104,400	Vet College Support	15,000
11,730,900	11,234,000		11,867,500

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		SERVICES BRANCH	
$ 238,300	$ 247,000	Audio Visual Centre	$ 251,000
764,700	768,300	Postal Services	778,800
205,500	212,000	Information Services	211,300
995,800	1,000,800	Printing Services	980,700
2,204,300	2,228,100		2,221,800
		TRANSPORTATION BRANCH	
119,900	121,100	Transportation	129,000
132,200	132,900	Island Transit	102,000
252,100	254,000		231,000
		HIGHWAY SAFETY BRANCH	
1,501,400	1,525,700	Registration & Safety	1,524,700
327,100	320,900	Highway Scales	321,200
1,828,500	1,846,600		1,845,900
41,384,500	42,763,300	TOTAL DEPARTMENT OF TRANSPORTATION & PUBLIC WORKS	42,826,500
597,800	465,400	P.E.I. CROWN BUILDING CORPORATION	935,000
41,982,300	43,228,700	TOTAL TRANSPORTATION & PUBLIC WORKS	43,761,500

TRANSPORTATION & PUBLIC WORKS

1.	GENERAL ADMINISTRATION			
	Administration		101,700	
	Equipment		1,700	
	Materials & Supplies		4,600	
	Salaries		431,900	
	Travel		12,600	552,500
2.	HIGHWAY MAINTENANCE BRANCH			
	A. MAINTENANCE ADMINISTRATION			
	Administration	7,500		
	Equipment	10,800		
	Salaries	865,400		
	Travel	196,900	1,080,600	
	B. PAVEMENT MAINTENANCE			
	Materials & Supplies	3,521,200		
	Professional Services	36,300		
	Salaries	2,465,400		
	Grants - Designated Streets	221,200	6,244,100	
	C. MAINTENANCE OF ROADS			
	Materials & Supplies	710,700		
	Professional Services	34,200		
	Salaries	394,200	1,139,100	
	D. ROADSIDE MAINTENANCE & GROOMING			
	Materials & Supplies	317,100		
	Professional Services	62,400		
	Salaries	380,500	760,000	
	E. SNOW CONTROL			
	Materials & Supplies	223,300		
	Contract Services	4,063,600		
	Salaries	569,600	4,856,500	
	F. SANDING AND SALTING			
	Materials & Supplies	2,160,800		
	Salaries	957,000	3,117,800	17,198,100

3. MECHANICAL BRANCH - GARAGE OPERATIONS			
Administration		140,000	
Equipment		119,100	
Materials & Supplies		2,322,100	
Professional Services		20,800	
Salaries		4,133,600	
Travel		55,900	6,791,500
4. TRAFFIC			
Equipment		31,000	
Materials & Supplies		779,500	
Professional Services		121,100	
Salaries		872,700	
Travel		46,000	1,850,300
5. BRIDGE MAINTENANCE			
Materials & Supplies		90,000	
Professional Services		50,000	
Salaries		127,900	267,900
6. BUILDINGS BRANCH			
A. BUILDINGS ADMINISTRATION			
Salaries	80,300		
Travel	1,400	81,700	
B. INSURANCE			
Administration	624,000		
Materials & Supplies	1,000		
Professional Services	6,600		
Salaries	40,700		
Travel	1,800	674,100	
C. ENERGY CONSERVATION PILOT PROJECT			
Equipment	1,000		
Materials & Supplies	1,000		
Professional Services	800		
Salaries	74,700		
Travel	10,400	87,900	
D. CONSTRUCTION ADMINISTRATION			
Materials & Supplies	3,000		
Salaries	237,200		
Travel	12,000	252,200	

6. BUILDINGS BRANCH (Cont'd)			
E. MAINTENANCE INDIRECT			
Administration	20,000		
Materials & Supplies	105,200		
Salaries	626,600		
Travel	35,000	786,800	
F. DIRECT BUILDINGS MAINTENANCE SHAW, JONES & SULLIVAN BLDGS.			
Administration	402,000		
Debt	385,000		
Materials & Supplies	950,300		
Professional Services	88,400		
Salaries	699,400	2,525,100	
G. DIRECT BUILDINGS MAINTENANCE OTHER BUILDINGS			
Administration	262,400		
Materials & Supplies	3,108,500		
Professional Services	136,400		
Salaries	1,027,100	4,534,400	
H. ACCOMMODATIONS			
Administration	1,748,500		
Materials & Supplies	291,400		
Professional Services	158,100		
Salaries	8,000	2,206,000	
I. PROPERTIES AND SURVEYS			
Administration	18,800		
Equipment	5,000		
Materials & Supplies	63,500		
Professional Services	11,600		
Salaries	578,200		
Travel	27,200	704,300	
J. VET COLLEGE SUPPORT		15,000	11,867,500
7. SERVICES BRANCH			
A. AUDIO VISUAL CENTRE			
Equipment	39,000		
Materials & Supplies	22,200		
Salaries	186,500		
Travel	3,300	251,000	

7. SERVICES BRANCH (Cont'd)			
B. POSTAL SERVICES			
Administration	620,900		
Equipment	3,000		
Materials & Supplies	33,400		
Professional Services	22,800		
Salaries	98,600		
Travel	100	778,800	
C. INFORMATION SERVICES			
Administration	33,400		
Materials & Supplies	12,700		
Salaries	163,700		
Travel	1,500	211,300	
D. PRINTING SERVICES			
Administration	5,300		
Equipment	35,800		
Materials & Supplies	500,000		
Salaries	434,400		
Travel	5,200	980,700	2,221,800
8. TRANSPORTATION BRANCH			
A. TRANSPORTATION			
Administration	1,900		
Salaries	108,700		
Travel	11,200		
Transportation Advisory Service	7,200	129,000	
B. ISLAND TRANSIT			
Administration	2,600		
Equipment	300		
Materials & Supplies	52,000		
Salaries	46,500		
Travel	600	102,000	231,000
9. HIGHWAY SAFETY BRANCH			
A. REGISTRATION AND SAFETY			
Administration	41,400		
Equipment	17,600		
Materials & Supplies	217,000		
Professional Services	26,200		
Salaries	1,171,500		
Travel	51,000	1,524,700	

9. HIGHWAY SAFETY BRANCH (Cont'd)

B. HIGHWAY SCALES

Equipment	36,600		
Materials & Supplies	30,700		
Professional Services	6,800		
Salaries	240,400		
Travel	6,700	321,200	1,845,900
TOTAL DEPARTMENT OF TRANSPORTATION AND PUBLIC WORKS			42,826,500

P.E.I. CROWN BUILDING CORPORATION

Atlantic Veterinary College Project

Debt	892,000	
Materials & Supplies	2,600	
Professional Services	35,000	
Travel	5,400	935,000

OTHER CURRENT EXPENDITURES

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 852,100	$ 787,400	Auditor General	$ 856,300
777,700	785,000	Civil Service Commission	819,400
10,297,400	8,001,300	General Government	8,851,600
463,800	465,200	Treasury Board	532,200
602,700	602,700	Council of Maritime Premiers	600,000
-	52,000	P.E.I. Food Technology Centre	600,000
12,993,700	10,693,600		12,259,500

OTHER CURRENT EXPENDITURES

AUDITOR GENERAL

Administration	18,500	
Equipment	7,000	
Materials & Supplies	1,500	
Professional Services	23,000	
Salaries	784,200	
Travel	14,100	
Comprehensive Auditing Foundation	8,000	856,300

OTHER CURRENT EXPENDITURES

CIVIL SERVICE COMMISSION

1.	ADMINISTRATION		
	Administration	19,900	
	Equipment	1,700	
	Materials & Supplies	18,700	
	Salaries	681,000	
	Travel	16,800	738,100
2.	STAFF DEVELOPMENT & TRAINING		
	In-Service Training	45,000	
	Tuition Reimbursement	24,200	69,200
3.	SERVICE RECOGNITION PROGRAM		9,800
4.	SUGGESTION AWARDS PROGRAM		2,300
			819,400

OTHER CURRENT EXPENDITURES

GENERAL GOVERNMENT

1.	EMPLOYEE BENEFITS		6,487,400
2.	MISCELLANEOUS GENERAL		131,300
3.	GRANTS		
	Grants for relief from property tax	682,600	
	Grant to Charlottetown Driving Park	525,000	
	Grant to Prince County Horsemen's Association	135,000	
	Miscellaneous Grants	469,700	1,812,300
4.	LABOUR RELATIONS		11,700
5.	ADVISORY COUNCIL ON THE STATUS OF WOMEN		
	Operating Grant	84,400	
	Travel	3,400	
	Review Committee	10,000	97,800
6.	PROFESSIONAL SERVICES		71,600
7.	SELF-INSURANCE PROGRAM		50,000
8.	TRADE NEGOTIATIONS SECRETARIAT		
	Administration	8,000	
	Equipment	4,000	
	Materials & Supplies	2,000	
	Professional Services	20,000	
	Salaries	30,700	
	Travel	24,800	89,500
9.	PUBLIC INQUIRY - REGIONAL SCHOOL UNIT #3		100,000
			8,851,600

OTHER CURRENT EXPENDITURES

TREASURY BOARD

Administration	11,500	
Equipment	1,100	
Materials & Supplies	6,800	
Professional Services	9,600	
Salaries	488,200	
Travel	15,000	532,200

OTHER CURRENT EXPENDITURES

COUNCIL OF MARITIME PREMIERS

C.M.P. Agencies	600,000

OTHER CURRENT EXPENDITURES

P.E.I. FOOD TECHNOLOGY CENTRE

Administration	51,000
Equipment	90,000
Materials & Supplies	53,000
Professional Services	14,000
Salaries	249,000
Travel	83,000
Grants	60,000
TOTAL P.E.I. FOOD TECHNOLOGY CENTRE	600,000

DEBT CHARGES

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$ 61,210,200	$ 59,235,800	Interest	$ 64,347,100
8,063,400	7,902,200	Sinking Fund Provision	8,649,500
480,000	392,400	Amortization of Debenture Disc.	356,300
69,753,600	67,530,400	TOTAL DEBT CHARGES	73,352,900

DEBT CHARGES

1.	INTEREST		
	Debentures	59,261,100	
	Provincial Deposit Receipts	4,000,000	
	Bank Loans and Treasury Notes	100,000	
	Federal Loans	986,000	64,347,100
2.	SINKING FUND PROVISION		8,649,500
3.	AMORTIZATION OF DEBENTURE DISCOUNT		356,300
	TOTAL DEBT CHARGES		73,352,900

CAPITAL

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
$28,131,000	$25,181,900	Transportation & Public Works	$34,200,200
72,800	75,500	Energy & Forestry	81,600
250,000	250,000	Tourism & Parks	250,000
-	-	Agriculture	175,000
-	-	Fisheries	135,000
28,453,800	25,507,400	TOTAL CAPITAL	34,841,800

CAPITAL

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		Transportation & Public Works	
		A. HIGHWAYS	
$ 939,400	$ 1,010,000	Administration	$ 1,023,000
6,830,700	6,339,000	Bridges & Culverts	2,753,900
9,597,000	8,385,800	Highway Reconstruction	9,000,000
10,279,900	8,887,100	Paving	15,944,200
125,000	145,000	Highway Equipment	1,290,000
60,000	60,000	Highway Lighting	65,000
27,832,000	24,826,900		30,076,100
		B. BUILDINGS	
20,000	20,000	Prince County Jail & Courthouse	-
60,000	115,000	Young Offenders Facilities	3,541,100
45,000	45,000	Government House	-
45,000	-	Cavendish V.I.C.	50,000
100,000	-	Relocation - Dairy Lab	140,000
-	-	Salt Shed - O'Leary	66,000
-	-	West Prince V.I.C.	40,000
29,000	20,000	Renovations - Dr. Eric Found Health Centre	25,000
-	-	Renovations - Riverview Manor	63,000
-	-	Renovations - School of Visual Arts	86,000
-	-	Equipment - Queens Printer	77,000
-	155,000	Land Purchase	31,000
-	-	Alma Field Office	5,000
299,000	355,000		4,124,100
28,131,000	25,181,900	TOTAL TRANSPORTATION & PUBLIC WORKS	34,200,200

1986-87 Budget Estimate	1986-87 Forecast		1987-88 Budget Estimate
		Energy & Forestry	
$ 72,800	$ 75,500	Fire Truck	$ 81,600
72,800	75,500	TOTAL ENERGY & FORESTRY	81,600
		Tourism and Parks	
250,000	250,000	Provincial Parks Upgrading	250,000
250,000	250,000	TOTAL TOURISM AND PARKS	250,000
		Agriculture	
-	-	Laboratory Equipment	175,000
-	-	TOTAL AGRICULTURE	175,000
		Fisheries	
-	-	Vessel Haul Out - Souris	135,000
-	-	TOTAL FISHERIES	135,000
28,453,800	25,507,400	TOTAL CAPITAL	34,841,800

APPENDIX

APPENDIX I

SCHEDULE OF RECLASSIFICATIONS OF 1986-1987
EXPENDITURES TO CONFORM TO THE
1987-88 PRESENTATION

	1986-87 Estimate	1986-87 Forecast
A. AGRICULTURE		
As shown in 1986-87 Estimates	$ 23,193,900	$ 22,656,000
Add: The Royal Commission on the Potato Industry transferred from Executive Council.	-	126,000
Less: P.E.I. Food Technology Centre transferred to New Crown Corporation.	-	(52,000)
	23,193,900	22,730,000
B. COMMUNITY & CULTURAL AFFAIRS		
As shown in 1986-87 Estimates	11,721,900	12,161,800
Less: Transfer of eight electrical inspection staff to Labour	(265,700)	(276,000)
Add: Cultural Products Development &	40,000	40,000
Cultural Industries Support transferred from Dept. of Industry	10,000	10,000
	11,506,200	11,935,800
C. LABOUR		
As shown in 1986-87 Estimates	743,200	785,300
Add: Transfer of eight electrical inspection staff from Dept. of Community & Cultural Affairs.	265,700	276,000
	1,008,900	1,061,300

	Estimate	Forecast
D. EDUCATION - GENERAL		
As shown in 1986-87 Estimates	$ 7,711,500	$ 7,791,100
Less: Transfer of Special Education Grant to School Units	(854,800)	(854,800)
	6,856,700	6,936,300
E. ELEMENTARY & SECONDARY EDUCATION		
As shown in 1986-87 Estimates	79,794,700	79,794,700
Add: Transfer of Special Education Grant from General Education	854,800	854,800
	80,649,500	80,649,500
F. EXECUTIVE COUNCIL		
As shown in 1986-87 Estimates	1,729,200	1,989,700
Less: The Royal Commission on the Potato Industry transferred to Agriculture	-	(126,000)
	1,729,200	1,863,700
G. INDUSTRY		
As shown in 1986-87 Estimates	9,823,500	8,866,400
Less: Prospecting transferred to P.E.I. Development Agency	(97,600)	(103,600)
Handcraft & Cultural Industries transferred to P.E.I. Development Agency	(193,500)	(193,600)
Cultural Product Development transferred to Community & Cultural Affairs	(40,000)	(40,000)
Handcraft Support Services transferred to Community & Cultural Affairs	(10,000)	(10,000)
	9,482,400	8,519,200
H. P.E.I. DEVELOPMENT AGENCY		
As shown in 1986-87 Estimates	7,599,200	8,359,800
Add: Prospecting transferred from Industry	97,600	103,600
Handcraft and Cultural Industries transferred from Industry	193,500	193,600
	7,890,300	8,657,000

	1986-87 Estimate	Forecast
I. HOSPITAL SERVICES COMMISSION		
As shown in 1986-87 Estimates	$ 67,659,600	$ 69,970,200
Less: Transferred to Hospital & Health Services Commission	(67,659,600)	(69,970,200)
	-	-
J. HEALTH SERVICES COMMISSION		
As shown in 1986-87 Estimates	21,311,200	22,501,200
Less: Transferred to Hospital & Health Services Commission	(21,311,200)	(22,501,200)
	-	-
K. HOSPITAL & HEALTH SERVICES COMMISSION		
Provision for the New Crown Corporation not shown in 1986-87 Estimates	-	-
Add: Transferred from Hospital Services Commission	67,659,600	69,970,200
Transferred from Health Services Commission	21,311,200	22,501,200
	88,970,800	92,471,400
L. P.E.I. FOOD TECHNOLOGY CENTRE		
New Crown Corporation not shown in 1986-87 Estimates	-	-
Add: Transferred to new corporation from Dept. of Agriculture	-	52,000
	-	52,000
SUMMARY/RECONCILIATION		
Original Departmental Amounts	231,287,900	234,876,200
Recast Departmental Amounts	231,287,900	234,876,200
Change	-	-

APPENDIX II

SUMMARY OF MAJOR VARIANCES
FORECAST TO BUDGET
1986-87

A.	EXPENDITURES:		
1.	Community & Cultural Affairs		
	a) C.A.D.C.	375,000	
	b) Other	54,600	429,600
2.	Industry		
	a) Adult & Continuing Education	(430,000)	
	b) Industrial Support	(309,700)	
	c) Other	(223,400)	(963,100)
3.	P.E.I. Development Agency		
	a) Meat Processing Industry Assistance	747,400	
	b) Other	19,300	766,700
4.	Georgetown Shipyards		
	a) Increase in loss on operations		748,000
5.	Health & Social Services		
	a) Cash & Material Benefits	800,400	
	b) Other	484,300	1,284,700
6.	Hospital & Health Services Commission		
	a) In-Province Physician Fees	900,000	
	b) Out-of-Province Physician Fees	273,000	
	c) QEH-Write off on Advances	1,000,000	
	d) Salary increase transfer	1,310,600	
	e) Miscellaneous adjustment	17,000	3,500,600
7.	Energy & Forestry		
	a) Electrical Rate Relief Program	(1,144,100)	
	b) Alternate Energy Development Agreement	(159,600)	
	c) Forestry Branch	(440,300)	
	d) Other	(68,200)	(1,812,200)
8.	Justice		
	a) Corrections Division	378,500	
	b) Young Offenders Program	208,700	
	c) Legal Services	257,300	
	d) Other	108,200	952,700

APPENDIX II

9. Transportation & Public Works			
a) Snow Control	375,000		
b) Mechanical Branch - Garage Operations	1,347,900		
c) Buildings Branch	(496,900)		
d) Other	152,800	1,378,800	
10. General Government			
a) Salary Adjustment transfer to other departments	(2,642,000)		
b) Employee Benefits	380,000		
c) Miscellaneous	(34,100)	(2,296,100)	
11. Debt Charges		(2,223,200)	
Total Major Variance			1,766,500
Variances/Other departments			(128,600)
Total Variance - Increase			1,637,900

B. REVENUE

1. Taxes			
a) Health Tax on Liquor	(374,400)		
b) Health Tax on Tobacco	(800,000)		
c) Real Property Tax	650,000		
d) Sales Tax	900,000		
e) Gasoline Tax	2,000,000		
f) Income Tax - Personal	1,550,000	3,925,600	
2. Investments		(1,004,400)	
3. Government of Canada			
a) Equalization	1,300,000		
b) Established Programs Financing	(3,350,000)		
c) Energy Rebate	(679,300)	(2,729,300)	
Total Major Variance			191,900
Other Variances			(717,500)
Total Variance - Increase			(525,600)